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# Sub-Saharan Africa Report

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AFRICAN STATES SHUN SANCTIONS AGAINST RSA

Some Countries Lack Means

Paris JEUNE AFRIQUE ECONOMIE in French Oct/Nov 86 pp 73-75

[Text] In Mbabane, capital of the tiny kingdom of Swaziland sandwiched between South Africa and Mozambique, there is but one topic of conversation these days: the "economic miracle" which is to make this country of 680,000 inhabitants one of the largest exporters on the black continent.

The signs of this "miracle" can be seen everywhere: new buildings, and hotels filled with businessmen from all countries. A new international airport, destined to become one of the largest on the continent, is already under construction. More important still, hundreds of containers can be seen lined up on both sides of the kingdom's main road, quickly christened "the export zone." They all bear the label in huge blue letters: Made in Swaziland.

In the containers, everything can be found: ready-to-wear garments, machine tools, prospecting equipment, light arms, and even wine.

Official statistics reflect this "miracle": the kingdom is already a major exporter of agricultural and manufactured products. Yet one can traverse the entire kingdom and not find a single factory or vineyard. Already christened "the Hong Kong of Africa," Swaziland is in fact only an emergency exit for the South African economy which now faces the threat of outright boycott by the world's most industrialized countries. The decision of the American congress at the beginning of October to ignore the advice of President Ronald Reagan and to impose a whole series of sanctions against Pretoria showed that South African President Botha's regime can no longer count on Western friends to escape punitive measures. In Western Europe as in the United States, public opinion is perceptibly ahead of the governments. Even the argument that sanctions may aggravate the unemployment problem in the West does not seem to have much effect. Apartheid has become so unacceptable to Western public opinion that the possibility of sanctions imposed by the EEC (European Economic Community) can no longer be excluded. All industrialized countries, with the possible exception of Japan, will no doubt take punitive measures against South Africa between now and the end of 1987. Will these measures be effective? "The United States and the EEC alone cannot force South Africa against the wall," stressed Peter Jacobs, a white businessman who exports South African wines to Canada through Swaziland. "Sanctions would have to be applied



against all the countries of southern Africa to achieve the desired effect."

"Using the economic weapon against Pretoria requires the dismantling of the system of economic defense it has managed to establish," stated Barry Pryce, a British analyst.

The South African strategy had the goal of creating three lines of "economic defense." The first includes those countries almost totally tied to South Africa on the economic level. Thus Botswana, Lesotho, and Swaziland are part of a customs union dominated by Pretoria. These three countries, together with Zimbabwe which also has preferential trade agreements with Pretoria, constitute the first line in the system of "economic defense" in question.

The most recent statistics well show the reality of the situation in which the four countries find themselves. More than 60 percent of Zimbabwe's trade is carried on with South Africa which alone represents 30 percent of the national revenue of Robert Mugabe's country. South African investments, private or public, provide more than 28 percent of all investments in Zimbabwe. More than 80 percent of this country's trade goes through South African territory.

This sad reality was well illustrated by the fact that all the supplies necessary for the recent summit of non-aligned countries in Harare were bought in South Africa. "Even the paper on which they printed the resolutions directed against us was bought here," claims the South African ambassador in Paris.

The situation of the other three Pretoria "hostages" is even more tragic. South Africa provides nearly 99 percent of all Lesotho's imports. The figures for Swaziland and Botswana are 90 percent and 88 percent respectively. Pretoria supplies Lesotho with 100 percent of its electricity; 79 percent in Swaziland's case, and 52 percent for Botswana.

In the second "line of defense" are Mozambique, Zambia, and Malawi. In Mozambique's case, Pretoria has systematically destroyed the country's entire economic infrastructure to prevent the Marxist-leaning regime of President Samora Machel from pursuing an independent economic policy. By arming the groups fighting against the Maputo government, Pretoria has achieved a permanent means of pressure against its neighbor. The destruction of Mozambique's road and port infrastructure has at the same time given Pretoria the opportunity of making itself indispensable for the economies of Zambia and Malawi.

Over the years, these three countries have become cheap sources of manpower for South Africa. More than half a million immigrant laborers are currently in South Africa while the number of clandestine immigrants is perhaps over 1 million.

The third "line of defense" established by Pretoria includes more than 30 African countries, with 2 billion rands in trade in 1985 which may exceed 3 billion this year (approximately \$1 billion). South Africa is one of the largest suppliers on the African continent. Its exports to other African countries greatly exceed its imports.

At the same time, South Africa has managed to establish solid links with nearly all the Gulf countries. Between 1980 and 1986, the latter have supplied more than 27 million metric tons of crude oil to South Africa at a cost of \$7.7 billion. According to the statistics of the famous insurance company Lloyds of London, 119 oil tankers from Saudi Arabia, Iran, Iraq, and other Gulf countries have met more than half South Africa's needs for crude oil.

The South Africans are also active in Latin America. Brazil, Argentina, Venezuela, Mexico, and Chili are firm, preferential partners. Some of these countries, especially Brazil, are already prepared to take the place of the Americans and Europeans who may leave South Africa as part of the application of a sanctions policy.

Dismantling the networks created by Pretoria to circumvent the sanctions is no easy task, and requires the participation of all the countries concerned. Even the most enthusiastic supporters of sanctions recognize that the results can only be minimal.

"Establishing sanctions against the Botha regime is perhaps no more than a symbolic gesture in the last resort," Monsignor Desmond Tutu, Cape archbishop, said recently. "But the gesture must be made. And I am convinced that all Africans who will suffer because of the sanctions are prepared to make this sacrifice."

Nothing is less certain. However, the Africans who are invited to make the "necessary sacrifices" are precisely those who do not have the means for undertaking heroic action against apartheid. An argument often used by supporters of sanctions refers to the famous formula that one cannot make an omelet without breaking eggs. In this particular case, there is the danger of breaking a lot of eggs without for all that managing to make the omelet so greatly desired.

The Organization of African Unity (OAU) cannot be convincing when it preaches what its members do not practice. Even if the EEC joins the United States in imposing sanctions against Pretoria, the measures taken will not be effective without the active participation of all the African countries.

But the African countries that trade with Pretoria cannot be persuaded to change their policy by appealing to sterile slogans.

The tragic reality is that many of these countries have no other choice than to remain in the South African orbit.

Weakening Pretoria to force its leaders to accept the end of apartheid and the installation of a pluralist political system requires above all a policy of assistance for the African countries which depend on South Africa.

Thus any serious policy of sanctions against Botha must begin with a realistic plan to help the African countries detach themselves from South Africa. This plan could be applied in several stages. The United States and the EEC could very quickly compensate for the losses of countries such as Cape Verde and Kenya so they could ban South African planes from landing. One could then

imagine a major international effort to restore Mozambique's ports to an acceptable state, while at the same time developing the rail networks in Tanzania, Angola, and Mozambique so that the so-called front-line states could avoid South African territory.

Another phase in such a plan would be for the industrialized countries to replace South African products that are sought after in black Africa because of their competitive prices as well as their quality which is adapted to the conditions of the continent.

To prepare the plan in question, which does not necessarily mean applying it in the immediate future, requires a minimum degree of consensus from the rest of Africa. But the bitter fact is that Africa has no policy worthy of the name for combating apartheid, and the African leaders are very divided on the subject of sanctions.

The campaign that the African countries have been waging for several years to persuade the United States and the EEC to impose sanctions against Pretoria seems on the way to succeeding in the next 2 or 3 years. But was not this campaign a sort of excuse to avoid discussing the necessity for a pan-African policy for combating apartheid?

Demanding that others apply sanctions against the Botha regime is perhaps sufficient to appease some people's consciences. But that cannot be a substitute for a long-term policy. In the 2 or 3 years to come, a rather strange situation may present itself: South Africa "punished" by the United States and the EEC while at the same time trading with nearly all African countries as well as Japan, the Gulf countries, and the USSR.

We do not suggest this remote possibility to confirm critics of the sanctions policy in their convictions. Sanctions remain a quite formidable weapon so long as they are applied across the board. The economic isolation of the Pretoria regime in an African context is in the last resort much more effective than selective sanctions approved by the American Congress.

Without this isolation, the Canadians will continue to drink wine "bottled in Swaziland" while Americans will buy all the strategic metals necessary for their military industry from "independent" companies headquartered in Mbabane. In the Gulf emirates, one chicken out of two already bears the tag "bred in the commonwealth": all Pretoria's "economic hostages" are members of the famous club of former British colonies and dominions.

#### More Demanded From Others

Paris JEUNE AFRIQUE ECONOMIE in French Oct/Nov 86 pp 74

[Article by Sennen Andriamirado: "Let Africa Dare to Demand From Itself What It Demands From Others"]

[Text] What can an OAU president do to shake the economic might of South Africa? He calls the world to the rescue, makes the consciences of nations and states uneasy, and sometimes obtains economic sanctions against the apartheid

regime. But he must also set an example.

Following his election to head the African organization in July 1986, Denis Sassou Nguesso of the Congo decided to refuse landing rights in Brazzaville to UTA planes heading for South Africa (see p 32). But between the decision and its execution, there was time for negotiations. And though president of the OAU, the head of the Congolese state could not expect to impose sanctions all alone--even if only symbolically, in the name of all Africa--against the Pretoria regime.

Africa certainly has few means for imposing an economic boycott on South Africa. But if the OAU demands that other continents impose sanctions against Pretoria, it is for the time being behind the Americans and Europeans whom it nevertheless incited. Beyond the slogans, of course, a real strangulation of the South African economy may result in the asphyxiation of the front-line countries. Objectively speaking, Lesotho, Botswana, and Zimbabwe are forced to compromise. But are Zaire, Gabon, and the Ivory Coast obliged to import South African products? Has the Comorian state really no other choice than to open itself not only to South African tourists but also to South African entrepreneurs? For 2 years now, canned goods from South Africa have been found even in the shops of revolutionary Burkina. And Madagascar sometimes compensates for its shortages of supplies by importing South African butter etc.

Of course only the South Africans know exactly the volume of trade is between their country and the African states. They keep a precise, valuable account, being very careful not to reveal it, preferring to use it as a diplomatic weapon--that of shame--against those clients who might be tempted to protest too loudly.

For a year now, the OAU general secretariat was given the task of making out a report on trade relations with South Africa. So far there have been no results. Not so much because of the OAU's lack of means as because of the unwillingness of the member states. The Africans should be ashamed to demand from others what they do not dare to require of themselves, and to take their words for deeds. For as the Wolof proverb says, "it is not by shaking them that the donkey will get rid of his ears." The knife must enter the flesh.

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PAPER EXAMINES SANCTIONS, INTERACTION IN SOUTHERN AFRICA

Johannesburg SAF POSITION PAPER in English Nov/Dec 86 [no pages given]

[Article by Dr D.A.S. Herbst, S.A. Forum Trustee]

[Text] Relations between some Southern African states and the Republic of South Africa have in recent weeks become more strained than ever.

Ironically these strained relations have coincided with the imposition of sanctions against South Africa by the US Congress.

Recent events, pronouncements by individual leaders in Southern Africa and conference resolutions have contributed nothing to the art of association which is so badly needed to manage the subcontinent's interwoven problems.

#### SUMMITS

At various summits, leaders of the so-called Frontline States have provided little evidence that they are capable of formulating viable alternative approaches to regional problems.

Most leaders appear to see "apartheid" as the major obstacle which must be removed immediately. There is a lack of realism in that their choice of methods to achieve apartheid's destruction could also lead to the destruction of the socio-economic fabric of the region. The attitude seems to be that "the economic disasters of tomorrow will take care of themselves."

#### WARNING

No heed is taken of the British Government's warning that they should not expect to be bailed out by Britain in the event of South African retaliatory measures as a consequence of sanctions.

The Frontline States' approach was recently reflected clearly by the Zimbabwean Prime Minister who said in Luanda, "We are suffering. How much more can we suffer? We support sanc-

tions because they will shorten the time that we must suffer."

This view shows no understanding of the severe economic consequences sanctions would have — not only for Zimbabwe — if the South African economy were to collapse.

#### ABILITY

Furthermore this view reflects a misconception regarding the South African economy's ability to survive.

In many Southern African circles there seems to be an impression that sanctions, coupled with the unrest situation in South Africa, will bring the South African Government to its knees.

Frontline summit resolutions and various pronouncements reveal a serious lack of pragmatism towards national and regional priorities.

#### TRANSFORMATION

Absent from their arguments therefore is a visualisation of a gradual and orderly transformation from apartheid to a system acceptable to most South Africans.

Herwig Rudolph summarises this unrealistic approach as follows: "It is doubtful that it has dawned on Frontline leaders that visions of apartheid being pulled down like a colonial flag at a midnight ceremony are flights of fancy.

"Frontline perceptions are firmly aligned with those of the ANC's external mission.

"The Frontline States find themselves in a situation in which any pragmatic

association with the reform process in South Africa translates into a loss of political face, or even worse, a betrayal of long cherished African ideals ..." (Africa Institute Bulletin, Vol 26, No 8, 1986).

Frontline States tend to ignore basic truths about their own situation:

- Unstable governments as a result of unpopular policies. This is true of, for example, Angola, Mozambique and Zambia.
- Unsuccessful attempts at economic regional co-operation in an effort to free themselves of their dependence on South Africa. The Southern African Development Co-ordination Conference (SADCC) which therefore excludes South Africa, remains to a large extent a creation on paper and has not achieved the desired economic independence.
- Instability and civil wars in countries like Angola and Mozambique underscore the important role of South Africa in the region's transport infrastructure.

Emotional pronouncements about the need to bring the "racist Pretoria regime" to a point of surrender, may satisfy deeply rooted political prejudices, but do nothing to enhance the living conditions of the subcontinent's people.

### FREE MARKET

A pragmatic approach, on the other hand, which recognises South Africa as an economically viable and free market oriented partner could create the framework for utilisation of the region's potential.

Sanctions, and the emotional call for them by some Southern African countries should be viewed against this background.

Wherever sanctions have been applied they have had a spill-over effect — the states which interact with the target country are inevitably affected, often more severely than the target country itself.

### PUNITIVE

Sanctions can be defined as a punitive process of isolation aimed at a particular, or target country. Pressure is exerted primarily in terms of economic measures, but with the ultimate objective being political.

Sanctions therefore presuppose economic pressure on a political system. A political system is a complex whole which is made up of interacting components.

As a result of the nature of any system, external pressure is not limited to one single component. It is spread throughout the system because of the interaction between the various components, and the system therefore exists because of the interaction.

### TENSION

It is in this field where tension arises between pressure (in the form of sanctions) and the political system. In order to achieve the desired effect, the pressure has to be selective and over as small an area as possible. The system, however, tends to spread the pressure over a wider area.

This argument when applied to the interdependence in Southern Africa, views South Africa as an independent political system composed of several components which exist in interaction. (The effect of economic pressure in the form of a low gold price or a poor agricultural production on the State's political ability is a good example of this.)

South Africa is also a component of a greater system in terms of her interaction with African countries. The same is true of Africa and her contact with the rest of the world.

### ABSORB SHOCK

In reviewing the effect of sanctions on the subcontinent, it emerges clearly that the ability of the different systems to absorb shock has to be determined by, firstly, the stability of the system and, secondly, the existing interaction in the system.

Lack of stability within any political system decreases its ability to absorb shock while poor interaction again decreases the possibility of spreading that shock.

In terms of sanctions therefore a negative scenario will emerge in a global system where there is a high degree of instability as well as great interaction between the components.

### ECONOMIC GIANT

South Africa is the economic giant of Southern Africa. The ability of her neighbours to absorb the sanctions shock is thus to be seen in an analysis of the situation in the African continent as a whole:

- Twenty-nine of the world's 34 poorest countries are in Africa.
- Africa's population growth is faster than that of any other continent. The average population growth is at present 3,2 percent.

- There are in Africa at present more than three million refugees as a result of famine, civil wars and droughts.
- Urbanisation is on the increase. The average tempo of urbanisation over the last few years has risen between seven and 20 percent.
- The countries of sub-Saharan Africa had a trade deficit of R16 billion during 1984. The total debts amount to R170 billion and the interest payments on these debts have become an impossible task.
- Unemployment is reaching record heights while economic growth shows a downward trend. Between 30 percent and 40 percent of the urban labour force is unemployed, while 70 percent of the total population in rural areas lives below the breadline.
- According to the International Labour Organisation the per capita income has decreased between 15 and 25 percent over the last 15 years. Over the past five years the per capita income decreased in Africa at an annual rate of 4,1 percent.
- Africa faces a severe fuel crisis. A recent SADCC report indicates that fuel for the purposes of heating and food preparation in 1984 in the nine member states was as follows: oil products provided for only 8,7 percent of fuel consumption, coal accounted for only six percent while electricity accounted for four percent. Wood and other traditional fuel materials, such as cow dung, provided 81,2 percent of the needs.
- Rapid urbanisation goes hand in hand with the elimination of all burning materials in the vicinity of urban areas.

These examples illustrate how the components within a political system contribute to global weakness. When a rapid population growth pressurises a particular system which cannot accommodate this pressure, unemployment follows.

### POVERTY

Ineffective utilisation of the soil leads to poverty and urbanisation. In the end all these factors combine to form a vicious circle, thereby weakening the individual components.

Within the political systems of Africa there is a serious shortage of factors necessary for lasting stability, and in the context of Southern Africa these emerge very clearly.

In terms of interaction, the political systems in the Southern African region reveal a strange anomaly. Although there are political differences between South Africa and the Frontline States, there is active interaction in almost all other spheres.

### DOMINANT

This can be attributed to the fact that South Africa is on the one hand the dominant system in the subcontinent, while on the other hand the Frontline States display a gradual weakening of their structures. Consequently a natural interaction with South Africa took place simply for their survival.

Compared with Southern Africa as a whole, South Africa accounts for:

- 80 percent of the total GNP (1983)
  - 82 percent of the motor vehicles (1980)
  - 63 percent of the tarred roads (1982)
  - 57 percent of the rail lines (1985)
  - 77 percent of the electricity generated (1980)
  - 84 percent of the telephones installed (1977)
  - 97 percent of the coal mined (1980)
  - 98 percent of the iron ore mined (1980)
  - 82 percent of the chrome ore mined (1978)
  - 70 percent of the maize grown (1980)
  - 87 percent of the wheat grown (1980)
  - 67 percent of the sugar cane produced (1979)
  - 39 percent of the cattle stock (1980)
  - 80 percent of the sheep flock (1980)
- (Source: Leistner, E. *Bulletin*, Africa Institute, Vol 26, No 4, 1986)

South Africa's importance to the survival of other states in the subcontinent especially emerges in terms of imports and exports.

It is particularly in this field that South Africa plays a dominant role, partly because South Africa possesses the technical ability and know-how to create the necessary infrastructure and to sustain it, and partly because internal problems in most of the Frontline States have resulted in the collapse of their own capabilities.

It is a well-known fact that landlocked countries like Lesotho, Swaziland, Botswana, Zimbabwe, Zambia, Malawi and Zaire are in some cases completely, and in other cases almost entirely, dependent on the South African transport services for their existence.

Traffic flow between SA and neighbouring states									
State	Rail traffic tonnages				Traffic tonnage handled by SA harbours				
	1981/82	1982/83	1983/84	1984/85	1981/82	1982/83	1983/84	1984/85	
Zaire	From	528 984	293 948	288 037	278 936	From	312 125	293 042	288 037
	To	97 384	99 104	113 352	115 504	To	4 195	14 188	24 500
Zambia	From	164 911	156 485	224 498	122 366	From	78 015	152 127	219 576
	To	303 393	238 132	272 175	390 203	To	59 691	49 223	18 519
Zimbabwe	From	936 328	951 319	987 825	797 281	From	468 022	513 306	277 207
	To	1 394 659	912 826	747 635	1 176 098	To	264 522	274 402	137 906
Botswana	From	62 271	59 182	47 418	27 874	From	1 049	8 654	62
	To	331 752	325 754	361 343	409 059	To	3 126	14 340	37 039
Malawi	From	—	—	367	24 381	From	—	—	—
	To	—	—	127	8 283	To	—	96	—
Mozambique	From	809 760	798 656	532 589	805 091	From	—	—	—
	To	1 719 977	1 541 481	752 661	849 726	To	—	—	—
Swaziland	From	1 055 379	200 000	150 000	821 898	From	55 589	27 665	27 812
	To	94 988	237 075	50 903	56 242	To	22 980	92	—
Lesotho	From	142 815	108 326	6 138	—	From	—	—	—
	To	414 377	335 710	29 814	69 233	To	77	1 950	13 520

Source: Chamber of Mines' Newsletter, September 1986

Activities by guerrilla groups and civil wars in Angola and Mozambique have limited the use of railways such as the Benguela line in Angola, the Beira Mutare line, the Nacala Malawi line and the Maputo Nelspruit line to a large extent.

The Tazara line to Tanzania has not lived up to expectations. Structural defects, poor maintenance, theft and congestion in the port of Dar es Salaam have resulted in the line never having been able to handle Zambian exports, particularly copper.

Although export and import figures for trade routed through South Africa in respect of the Frontline States are not readily available, the following figures have been published:

Zaire — Imports: 57 percent, Exports: 45 percent copper, 60 percent lead and tin, 40 percent cobalt.

Zambia — Imports: 70 percent, Exports: 40 percent.

Malawi — Imports: 60 percent, Exports: 50 percent.

Zimbabwe: — Imports: 68 percent, Exports: 65 percent.

(Some sources say that Zimbabwe is at present dependent on South African ports for 90 percent of her imports and exports.)

The BLS countries' (Botswana, Lesotho and Swaziland) transport systems are totally linked to that of South Africa.

Swaziland can export directly to Maputo but the export route is hampered by continuous guerrilla activities in Mozambique. In 1983 Swaziland's total imports were R609 million of which

R512 million came through South Africa.

### BLS COUNTRIES

Furthermore it is known that the Southern African Customs Union (SACU) is an important source of income for these BLS countries.

The BLS states are joined with South Africa in the SACU. The customs union agreement provides for the free flow of goods among member states, which levy the same tariffs on goods imported from outside the union. All major ports of entry are in South Africa, which collects the customs duties and allocates them on a *pro rata* basis.

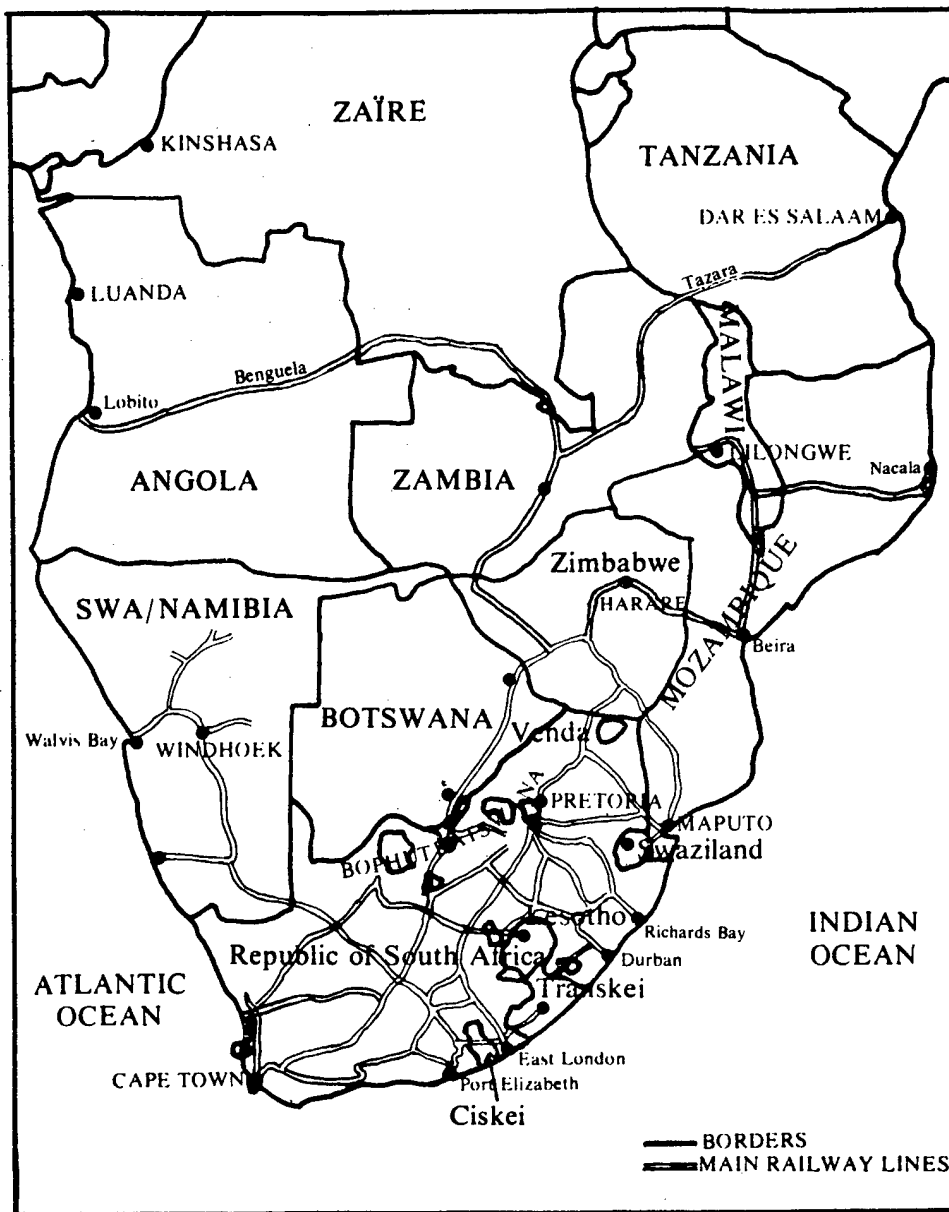
Botswana's share from the SACU is, for example, 28 percent of its domestic income while Lesotho receives 64 percent and Swaziland 60 percent.

Approximately 350 000 migrant workers from neighbouring countries work in South Africa. Indirectly two million dependants are supported in this way. The number of illegal workers is estimated to be 1,2 million.

Apart from this visible form of interaction, there are contacts at many other levels which are of vital importance to South Africa's neighbours. Mention can be made of vaccines, medical assistance, and technical assistance in, for example, the agricultural field.

Thus, the Southern African system is of such a nature that sanctions against South Africa will inevitably cause a ripple effect throughout the subcontinent. The high degree of interaction that exists between South Africa and her neighbours, together with the relative instability in these countries, lends itself to a general climate of instability.





## NEIGHBOURS

This could eventually divide South Africa's neighbours into two camps. Firstly, those who realise that they cannot survive without South Africa, such as Swaziland, Lesotho and Malawi.

The second group realises that sanctions against South Africa will hurt them, yet they use every possible platform to encourage sanctions. Apparently their argument is either that South Africa will quietly accept sanctions or that the international community, and particularly the West, will come to their aid.

Countries moving in this direction include Zambia, Zimbabwe and Mozambique.

This perception is not only short-sighted — it is dangerous. It does not account for the realities of the subcontinent.

## REVOLUTION

Complicating this issue is that some countries allow the African National Congress (ANC) the use of bases from which to operate against South Africa. Seen from a South African point of view, no country can export revolution and at the same time expect to gain indefinitely through co-operation.

All countries, including South Africa, cannot experience conflict and co-operation as two sides of the same coin.

Sanctions will have the greatest impact on that part of the regional system which is the most unstable. Even long before the effect of sanctions is felt to its full extent in South Africa, countries

like Mozambique, Zambia and Zimbabwe will have to cope with increasing internal instability.

## REPERCUSSIONS

This kind of political instability opens up new possibilities and repercussions. The following can be mentioned:

- Mass famine affecting millions of people.
- An inability by the West to render effective aid.
- The possibility of coups and a renewed power struggle between the East and the West.
- As the Soviet Union has already poured in large quantities of military hardware into certain Southern African states, of which Angola is the prime example, further instability could open up new opportunities for the USSR.
- The inability of the US Congress to react strongly in crises situations could easily be exploited by the Soviet Union. The Soviet Union, after all, is a master of manipulation of crises situations to its own advantage.
- In such a scenario the continued supply of Southern Africa's strategic minerals to the West becomes highly relevant.

In conclusion: the perception held by many African and Western politicians that South Africa alone will suffer as the result of sanctions is absolutely incorrect — this belief displays ignorance of the hard realities of the subcontinent and its interdependence and interaction.

/6091

CSO: 3400/641

AFRICAN INTELLECTUALS BLAST AUTHORITARIAN RULE AT FRG FORUM

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 21 Oct 86 p 5

[Article by vL: "A 'New Wave' in Africa? Sharp Criticism of One-Party Systems and Lack of Human Rights"]

[Text] Arnoldshain, 20 Oct--During a symposium at the Arnoldshain Evangelical Academy the cream of African political science condemned the one-party system in Africa and the corruption and violations of human rights on their continent and in their homelands with such intensity that many of the Germans present believed to have discovered a "new wave" in the thinking of African intellectuals. At the conference, which was also supported by the Volkswagen Foundation, the subject was democracy and one-systems in Africa. This topic has been not only to a great extent taboo in Africa: In Europe as well there was apparently no major academic study of the subject in recent years. Now at the academy a good dozen African college teachers from all over the continent analyzed the political system of their native states, followed by the criticism of a German scholar. Joint organizers were the African and German Unions for Political Science.

Such a conference could not have taken place in any country in Africa according to Abdul Rahman Babu, one of the leading theoreticians of "African socialism" who was once a Tanzanian government minister for many years and who was later put in prison for 6 years without trial by former Tanzanian President Nyerere. Academics are especially affected by one-party systems and the associated pressure to conform and oppression. On the other hand, African politicians (and, not infrequently, Western scholars) often argue for the necessity of a one-party state: It is required in order to avoid unnecessary disruptions to economic development. In addition, the striving for consensus, which is the object in the one-party system (intraparty opposition is possible in at least some African states), is supposedly native to African thought, while a multi-party system is alien to it.

African professors at the symposium regarded these arguments as the excuses of politicians who profit from such a system. Hardly another "profession" is so lucrative in many African countries as that of a legislative representative, who, on the other hand, occasionally achieves his certain nomination by bribing the party bosses or indeed the head of state. Two-thirds of all African heads of state owe their position to the military, according to a German Africa-expert, only six (eight with South Africa and Namibia) owe it to free elections with opposition candidates.

The speakers seemed to agree that the system of government is not an automatic indication of the degree of democracy or of the respect for human rights. A multiparty system can be more authoritarian than a country with a state party. According to Duisburg political scientist Peter Meyns, there is an almost inevitable tendency to increasing authoritarianism in many African countries (in order, an African added, to be able to continue to partake of the benefices associated with power) and thus to violent change. New ideas can hardly enrich the system. The one-party system, to be sure, is hardly a unique trait of the Africans. The president of the Association of African Political Scientists, the Ugandan Dan Nabudere, reminded in Arnoldshain that in the recent German past a state party developed out of a liberal democracy.

The strongest criticism of the one-party system came from the Tanzanian Babu. It is responsible for the fact that today the African populace is living as beggars and there are many political prisoners. The permanent state of emergency in most African states and the existence of laws permitting incarceration without a court decree (frequently taken over from the colonial masters) in almost all countries of the continent are primarily attributable to the one-party state. Thus, "middle-class society" in Africa has been effectively destroyed--the activity of labor unions and other independent groups, for example. The West African Ghana under Nkrumah was the first African state which introduced a unity party; it is, however, one of the most unstable African states. That already proves, according to Babu, that the argument, a one-party system is necessary for stable and steady development, is wrong.

There were differing opinions in Arnoldshain on the part of certain African and German political scientists as to whether primarily internal social causes (state structure, economic policy) or external influences are decisive in the unanimously-acknowledged "crisis of Africa." The Hamburg Africanist Rainer Tetzlaff contradicted the thesis, propounded by Nabudere (but at least indirectly by other Africans in their specific examples), that colonialism prevented the emergence of a middle class and thus substantially contributed to the decline. Such arguments, which sought to place the blame on others, reminded him of the same arguments by Latin Americans 15 years ago: An elitist ideology is being developed there--"We cannot do anything, we are completely dependent on European colonization"--which is intended to serve as an excuse for one's own failure.

13238/12859  
CSO: 3420/3

SAVIMBI ON VISIT TO FRANCE, PORTUGUESE VISA REQUEST

Lisbon TEMPO in Portuguese 30 Oct 86 p 8

/Interview with Jonas Savimbi, leader of the Angolan armed opposition, in Paris, by correspondent Custodia Domingues; date not given

/Text Paris--Jonas Savimbi, leader of the Angolan armed opposition, concluded that his visit to France is "a guerrilla victory," considering the conversations he had in Paris with French political leaders who promised to "aid his movement."

Jonas Savimbi, the head of UNITA, went first to Strasbourg where he attended the European Parliament at the invitation of a group of deputies of the Right. He then went to Paris where he is at the present time and was received by Jacques Chaban-Delmas, president of the National Assembly, Jacques Toubon, secretary general of the RPR (Rally for the Republic), and Francois Leotard, current minister of French culture. These meetings resulted in protests by Angola. The Luanda government said that it would like to "take action" against France and this was confirmed in Paris by Angolan Ambassador Luis de Almeida who protested to the French Ministry of Foreign Affairs about Jonas Savimbi's visit.

In an interview held in Paris the leader of the Angolan armed opposition answered a few questions submitted to him by our newspaper.

TEMPO: How do you explain your coming to France?

Savimbi: I was invited by deputies to visit the European Parliament and I took advantage of that opportunity to come to Paris to explain UNITA's struggle, our objectives and, especially, Angola's place within the African context and within the context of relations between Africa and Europe.

TEMPO: There was talk of your possible visit to Portugal. Is there any truth to that rumor?

Savimbi: I would like very much to go to Portugal. We have many sympathizers there, I speak Portuguese, I have been brought up in the Portuguese culture and I would be able to express myself better in Portugal than in France. But since I am not a pirate, I would not go to Portugal clandestinely. I would go only if I had a visa. As of now I do not have a visa and therefore I shall not go, to my own sorrow and to that of many sympathizers.

TEMPO: Does this mean that you have made an official request for a visa?

Savimbi: Certainly. I contacted the Portuguese Embassy in Paris which had no instructions; and without instructions it is impossible to obtain a visa.

TEMPO: Your arrival here coincided with the presence of President Mario Soares in Paris. Did you happen to meet?

Savimbi: I did not meet with President Mario Soares. The president of the republic represents all the people and, above all, he must respect the diplomatic relations which exist between Portugal and the Luanda government; in short, it was just a coincidence.

TEMPO: Do you consider this visit to Paris positive?

Savimbi: I am glad that I made this trip. There are many things which cannot be revealed at the present time for obvious reasons, but my trip to Paris yielded the desired results. I hope that within the next few months the promised aid, particularly on the political and diplomatic level, will be confirmed and made a reality.

TEMPO: What are your thoughts concerning the death of Mozambican President Samora Machel?

Savimbi: I am experiencing a feeling of frustration. I knew President Machel when he was a Frelimo leader and, despite appearances, he represented a moderate force within the Front Line group. He had a good grasp of Mozambique's problems which are different from those of Angola. He was about to be persuaded to carry on a dialogue with UNITA to create a harmonious atmosphere between the MPLA and UNITA. The area in which we live in southern Africa has a very shaky foundation. The figure of President Machel gave reason to hope that perhaps we could reach a level of understanding, thus achieving all the objectives which Africans desire as, for example, the elimination of apartheid.

8568

CSO: 3442/43

JONAS SAVIMBI DENIED PORTUGUESE VISA

Lisbon EXPRESSO in Portuguese 1 Nov 86 p 5

/Article by J. Henriques Coimbra/

/Text/ Despite having a diplomatic passport, Jonas Savimbi did not receive an entrance visa into Portugal from the Lisbon government. This forced the UNITA leader at the last moment, Wednesday, to rearrange the schedule of his lengthy stay in Europe where he had come at the invitation of many members of the European Parliament, one of whom, moreover, represented Portugal's PSD.

Having renounced his original plan to visit Great Britain upon leaving France, the Angolan rebel leader left Paris for West Germany; from here he expects to return to the military base of Jamba in southeastern Angola, probably by way of Johannesburg. Moreover, according to reliable sources, Jonas Savimbi's "diplomatic passport" was given to him specifically for this European sojourn by the South African Government which is supporting UNITA in its struggle against the Luanda regime.

The Lisbon government declined to give the press any explanation concerning the severity of its decision in view of alleged steps taken by UNITA to obtain the visa in Paris. This gave observers the impression that Portugal's "diplomatic attitude" was aimed at safeguarding the proclaimed good relations with Luanda--at a time, moreover, of apparent "consolidation"--sacrificing the opinion of many social democrats "and even of those who pontificate at the Ministry of Foreign Affairs," as a well-placed source told us, who would look favorably on the "opening" of Portuguese diplomacy "to the leader of one of the factions struggling for power in Angola."

Despite being called "terrorist" by leftist deputies of the European Parliament who succeeded to some extent in dampening the impact of the UNITA leader's visit, Jonas Savimbi was unaffectedly received in Paris by highly placed French officials who considered him "a courageous and realistic member of the resistance" (to quote Charles Millon of the UDF) and managed to obtain an audience with a minister and even with Jacques Toubon, considered one of the men closest to Jacques Chirac.

Chester Crocker, U.S. undersecretary of state for African affairs, also received the Angolan rebel and reassured him that the United States is supporting his struggle against Luanda.

Savimbi: "Government of National Union"

Savimbi succeeded in giving Europe the message that Angola is not a Moscow satellite, "even though there are 45,000 Cubans, 2,500 Soviets, 2,000 Koreans and 3,000 members of the Portuguese Communist Party on Angolan territory."

In his diplomatic offensive--tested a short time ago by inviting a considerable number of Portuguese to come to Jamba, some even promising to be spokesmen for Savimbi's propaganda in Lisbon--the rebel leader assumed the role of "messenger of peace," advocating the need for conversations with the MPLA for reconciliation in Angola starting with a cease-fire arrangement which would lead to a dialogue for the establishment of a government "of national union."

Despite Savimbi's having recognized in Paris that the Pretoria regime is "odious" and "humiliating," none of the black countries of southern Africa considered this of any importance; there were not even any serious protests concerning his having been received at the European Parliament with a great deal of fanfare by various news media.

In Maputo where many African leaders were mourning the death of Samora Machel, those same leaders limited themselves to condemning "France and other Western nations for having permitted the traitor, Savimbi, to visit their countries."

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CSO: 3442/43



# CONTROVERSY OVER LIST OF 'TERRORIST' MINISTERS ANALYZED

Lisbon EXPRESSO in Portuguese 18 Oct 86 p 4

/Text/ Luis de Almeida, Angolan ambassador in Paris, assured EXPRESSO this week that it was the French authorities who told him that the list which gave rise to the formal questioning of two Angolan ministers by the French police "was furnished by the Portuguese Government."

A source from the French Ministry of Interior--from a department which, according to a spokesman from the Ministry of Foreign Affairs, now has the file on the incident in question--declared in turn: "The Angolan ambassador can say, assert or do what he wishes. We have no information on that case."

It will be recalled that ministers Henrique Santos and Fernando Franca Van Dunen were interrogated on 22 and 26 September upon their arrival in Paris. According to news circulated in Lisbon last week--and which, at the time we went to press, had not appeared in any newspaper in France and Angola--the action of the French police was allegedly motivated by the fact that its computers included the names of RPA's ministers of industry and justice under the classification of "Portuguese terrorists."

Portugal had allegedly been asked to furnish a list, "drawn up in 1961 by the PIDE/DGS" and delivered to the French authorities subsequent to a meeting of EEC ministers of interior held in London on 25 September, for the ratification of certain cooperative measures to be taken by the 12 member nations in the struggle against terrorism.

## No Formal Protest After All

In addition, Ambassador Luis de Almeida told EXPRESSO emphatically this week that in his opinion it was the responsibility of the Portuguese Government to furnish the aforementioned list "within the scope of the London meeting," but he admitted that he could not say for sure whether the list was delivered by Eurico de Melo or by "some die-hard from colonial times."

As for the list itself--which he claims to have seen--the Angolan diplomatic representative in the French capital went on to say that it contains "the names of Angolans who were in Lisbon in April 1961," not including any Portuguese citizens or citizens from any other former colony. Luis de Almeida also stated

that no Angolan official representative had any problems in any other European capital. "Moreover," he said, "the minister of industry came from Athens and the minister of justice from Brussels."

The Angolan ambassador also asserted that he had received "instructions from Luanda to protest to the French MNE" as well as to Luis Gaspar da Silva, Portuguese diplomatic representative in Paris, a procedure which some journalists in Lisbon termed a formal protest.

Informed of this assertion by EXPRESSO, Gaspar da Silva claimed to be "amazed" that his Angolan counterpart had allegedly lodged a protest. He also stressed that "relations are magnificent between the two embassies and ambassadors at both the official and private levels" and that in this connection "all matters of mutual interest" are discussed.

"Like the excellent diplomat that he is, Luis de Almeida knows that he cannot do this," said the Portuguese ambassador in Paris.

Meanwhile, in Lisbon the MNE continues to assert that it has received no formal protest from the Angolan and French governments, while the MAI limited its reaction to a mild denial of certain statements published in the news media.

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CSO: 3442/43

# GABORONE'S IMPORTANCE IN AVIATION GROWING

Cape Town THE ARGUS in English 6 Nov 86 p 23

[Text]

**T**HE growing importance of the new Gaborone airport as a possible adjunct to Jan Smuts airport was demonstrated yesterday when a Kenya Airways Boeing 707 landed to inaugurate a once-weekly service from Nairobi by way of Harare.

Zambian Airways, which have operated irregular flights in the past, also flew in yesterday with a Boeing 737 on what will be a once-weekly service from Lusaka with this type of aircraft. South African Airways and Air Zimbabwe are also operating regular services to Gaborone.

From next April British Caledonian will operate a twice-weekly service to Gaborone with Douglas DC10 aircraft. UT French Airlines is negotiating for freight traffic rights to Gaborone but is not contemplating a passenger service "at the moment", a spokesman said.

The Royal Swazi airline operated regular flights to Gaborone from Matsapha until last week, when they were suspended,

apparently because of limited demand on this route.

**B**EFORE the new Sir Seretse Khama international airport was opened in December, 1984, South African Airways was the only foreign airline to operate to Botswana. SAA flew small turboprop aircraft into the old Gaborone airport but the short runway and inadequate passenger handling facilities and small passenger traffic made it unattractive to other foreign airlines.

This has changed with the opening of the new airport, which coincided with Botswana's diamond-based economic boom and the threat of foreign airlines being barred from Jan Smuts airport by international sanctions against South Africa.

The traffic through Gaborone is likely to increase sharply if sanctions close Jan Smuts to major international carriers. At present passengers flying from Gaborone can connect with overseas flights from Harare, Lusaka and Nairobi.

British Caledonian's service will provide the first direct link with Europe but others are likely to follow if sanctions restrict direct traffic to Johannesburg.

/6091

CSO: 3400/639

## ELECTRICITY LINK WITH ZAMBIA

Harare THE FINANCIAL GAZETTE in English 24 Oct 86 p 5

[Text]

A CONSORTIUM of Brown Boveri Zimbabwe, Brown Boveri Canada and Powerlines Central Africa also from Zimbabwe, has been awarded a \$4 million contract for the interconnection of electric power between southern Zambia and northern Botswana.

This project is one of many of the Sadcc region's power interconnection programmes estimated to cost over \$64 million over the next five years.

The contract is in two parts. The first stage involves the design, supply, delivery, construction and erecting, testing and commissioning about 16km of 66 kV transmission line from the existing line in Zambia, to a new substation at Kasane, Botswana. A 11 kV distribution line of about 35km that crosses the Zambezi River at Kazungula will be joined to the existing 11 kV line in Botswana.

The second and last stage is for the design, delivery, construction, testing and commissioning of a tap-off substation at Kazungula in Zambia (66/11 kV, 1.6 MVA), and another 66/11 kV 5 MVA substation at Kasane.

Most of the financing is being provided by the Canadian International Development Agency (Cida), and the Finnish Development Agency (Finida), will supply the transformers.

The whole project will be coor-

minated by a Canadian engineering company, Shawminigan Lavalin Inc, specialists in electric power supply. The projects manager for the company in Zimbabwe, Mr John Williams, told the *Gazette* that this project will enable Botswana to utilise Zambia's excess electric power.

This is in line with Sadcc's energy programme to strengthen regional cooperation in electric power through the interconnection of electricity networks or grid sections to guarantee a more rational utilisation of the region's energy resources.

Commenting on the project, the contracts manager of Brown Boveri Zimbabwe, Mr C D Frizell, said: "We are pleased to get this contract and we think we are capable of doing this type of work in this region."

Mr Frizell said that most of the materials needed to carry out the project will be procured or manufactured locally. They include steel towers, fencing, lighting, civil engineering and probably some control cabinets.

The powerlines will be supplied by Powerlines Central Africa, and Brown Boveri Canada will act as the purchasing and liaison agency in the country.

The physical work is expected to start early next year, and should be completed within six to eight months. "Brown Boveri Zimbabwe will build the two substations," Mr Frizell said.

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CSO: 3400/614

BRIEFS

BIRTH RATE STATISTICS--Gaborone--Botswana's fertility rate is one of the highest in the world, the country's Central Statistics Office has disclosed. The figures state that the crude birth rate is 48.7 per a thousand people. The report said a contributory factor was the inadequacy of family planning but added that the rate would diminish with increased education. The mortality rate is one of the lowest in Africa. The crude death rate was 13.9 per thousand, the report said. The life expectancy was 52 years for a man and 59 for a woman. The report said there were 89 males for every 100 females in the country. [Text] [Cape Town THE ARGUS in English 7 Nov 86 p 6] /9274

CSO: 3400/614

## BURKINA

### EDITORIALIST RESPONDS TO TOGO CHARGES

Ouagadougou SIDWAYA in French 6 Oct 86 p 12

[Editorial by Arzouma Zampaligre: "At the Neocolonial Breast"]

[Text] Twenty-six years after the states of France's former colonial empire attained political independence, is French-speaking Africa--which needs to go beyond its own regional and subregional organizations, despite a legendary tradition of pride, and re-tie the umbilical cord to "the mother mainland" in order to get itself out of trouble--still unweaned?

The mind boggles at the events that recently occurred in Togo, the landing of the "allies" immediately thereafter, and the jumble of accusations against Ghana and Burkina Faso by the Togolese authorities. One wonders. How much longer will certain African states continue to suckle at the neo-colonial breast?

The "apostle of peace," he who fought and overcame the bear, calls in and deploys foreign troops armed to the teeth on his sovereign soil, in total disregard for the dignity of the Togolese people.

A so-called cosmopolitan commando numbering several tens of elements--many of them Togolese and trained, it seems, in Burkina--are said to have chosen the longest and most difficult route to re-enter Togo, passing through Ghana and moving in on Lome with great display via the only road linking this city (on the border) with Ghana.

It took no more than that for cries of "invasion" to go up and for another invasion out of all proportion to the first to be tolerated. And troops were brought in by air, sea and land, with the most sophisticated equipment in order to save a government that is treading on the people and the national Army (to whom that noble task would legally fall). Alas, for a long time now, in certain countries where even soap is suspect, no one knows to keep dirty linen within the family.

What is most surprising (but not unheard of) is that it is the highly socialist French presidency (and not the very rightist French prime ministry) which is playing biased intervener in a domestic quarrel 5,000 kilometers away. It cries "terrorism" and quarantines everyone before letting them into France.

It is the one who invades the others--without a visa, of course--with a peaceful and distraught people looking on, not understanding what is happening to them, they whose president received the peace prize.

Our surprise does not end here, as, bypassing the CEAO [West African Economic Community] and the ANAD [Non-Agression and Defense Aid Agreement], the Entente Council, ECOWAS [Economic Community of West African States] and the OAU [Organization of African Unity], an appeal is made to Zaire who rushes to dispatch "rescuers" to a decadent petty king while Angola, next-door, has never been worthy of a single gesture of good-neighborliness, although it is confronted daily with strikes from UNITA's men without a country and the murderous incursions of South Africa's racial government.

As for the Togolese authorities, who noisily rejected the assertions by Amnesty International, they have announced the release of prisoners jailed several months ago for having been "caught in the act" of planting bombs. The explanation: A mistake; the real criminals are among those "caught in the act" of a coup d'etat attempt. Is the confusion being used to empty the jails and have Amnesty International's case dismissed so as to play host, above all suspicion, to the coming France-Africa summit which is so flattering to the General?

It is an upside-down world: Countries like Burkina that seek to extend a hand to those thirsting for justice, equality, liberty and peace, are drawn into deliberately fabricated conflict scenarios. Because oppression has lasted too long for the peoples of Africa who are weary of resignation and on the verge of finding the path to their own salvation, the imperialist camp, aided in its task by local potentates, is determined to contain this storm while the muffled rumbling moves ever closer.

Untroubled, Burkina Faso is determined to achieve the objectives of its revolution through its first PQDP [Five-Year Plan for Progress]. Provided it is guaranteed peace. Once things have calmed down in Togo, "the Togolese authorities will rediscover a Burkina Faso true to itself, developing good relations with the fraternal people of Togo," said Captain Blaise Compaore.

12413/12851

CSO: 3419/12

## BURKINA

### MILITARY JOINS AGRICULTURAL CAMPAIGN

Ouagadougou SIDWAYA in French 8 Oct 86 p 9

[Excerpt] Soldiers in the fields. Under other skies, it might seem a fairy tale. And yet for two consecutive growing seasons, it has been a reality in revolutionary Burkina. The proof is that four areas are being farmed by the military. They are divided between the south and the southwest of Faso. They are:

1. the Koumbo unit, in Sissili, 64 km from Leo;
2. the Dimolo unit in Poni, 50 km from Gaoua;
3. the Wolonkoto unit, in Comoe, 18 km from Banfora; and
4. the Djigouera unit in Kenedougou, 33 km from Orodara.

Among these units, 153.09 hectares of various crops have been cultivated. The total area is subdivided into rice (21.6 hectares), corn (75.61 hectares), sorghum (30 hectares), peanuts (4.2 hectares) and niebe [beans] (21.68 hectares).

Rice is grown at the sites of Wolonkoto and Djigouera. Corn is grown at all of them. Sorghum and peanuts are grown only at the Koumbo site. Niebe is grown at both Koumbo and Dimolo. For the units of Koumbo and Dimolo, there are 34 oxen. The two other units are in the process of buying their own, which will make farming with draft animals the rule at all sites. All efforts are also being made to introduce more effective farming methods and equipment at all sites.

Despite problems of all types (logistical problems, social problems arising from the presence of certain soldiers' families at the sites, partial flooding of the fields at Dimolo and Djigouera for lack of a geophysical study of the land cultivated), all of the unit commanders are optimistic on the outcome of the current growing season, unless nature proves them wrong. At Wolonkoto (Comoe), the warrant officer at the revolutionary air base, Herve Bambara, takes his hat off to the conscripts of the People's Service who came to back up their elders. At all the other sites, the efforts provided by these conscripts of the assault force in the economic battle are appreciated. At the farming sites of the People's National Service (PNS) in Kadro (Nahoari), Diepo (Poni) and Boulon (Comoe), optimism on the outcome of this season is strong.



The farming units are far-removed, you will have noticed, from the seats of provincial governments and even from the closest urban center. Thus, a film projection crew from the high command of the People's Armed Forces visited all of the farming sites of the People's Armed Forces between 6 and 26 September, with stops at the PNS sites of Kadro and Diepo. The films shown dealt with disarmament and with agriculture--the priority of priorities.

12413/12851  
CSO: 3419/12

## GUINEA-BISSAU

### BAFATA MOVEMENT OUTLINES GOALS

Lisbon 0 DIABO in Portuguese 18 Nov 86 p 17

[Text] "To combat the totalitarian regime of the single party, to liberate the political prisoners and to put a stop to the persecution": these are among the goals of the Bafata Movement, comprising opponents of the PAIGC, which has been in power in Guinea-Bissau for 11 years.

This new African anticommunist resistance movement had existed in secret in Guinean territory for about 2 years, but had meanwhile set up missions in Europe. Its president is medical Dr Domingos Gomes, former director of the Simao Mendes Hospital in Bissau. Accompanied by other movement leaders, Dr Gomes held a press conference last week in Lisbon.

In addition to the trial of the defendants charged with the conspiracy of 17 October 1985 and their subsequent death sentence, the movement denounced the political crimes which have occurred in Guinea-Bissau both before and after the overthrow of Nino Cabral. "The apparent change brought about by Nino Vieira's accession to power did not improve anything," stressed the Bafata Movement, which indicates, among its goals:

"To guarantee liberty for Guineans to participate in collective work, recognizing what is worthy and legitimate in their traditions. It is necessary to establish justice, so that liberation will not be worse than slavery, so as to put an end to the civil discouragement reflected in the mass emigration of professionals and cadres, of whom so much was expected. It is necessary to guarantee freedom of the individual, so we may demand of each citizen the contribution which he owes to the nation and to the fatherland."

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CS0: 3442/38

GUINEA-BISSAU

LUIS CABRAL SAID TO HAVE NO TIES WITH ANTI-VIEIRA MOVEMENT

Lisbon EXPRESSO in Portuguese 15 Nov 86 p 14

[Text] Luis Cabral, former president of Guinea-Bissau, is not involved with the movement in opposition to Nino Vieira, which was publicly unveiled this week in Lisbon under the title "Guinea-Bissau Resistance/Bafata Movement."

The movement proposes to engage in political activity leading to the establishment of a multiparty democracy, dedicated to a state of law in Guinea-Bissau.

Among the proximate causes for the appearance of this oppositionist political organization in Guinea-Bissau, according to Dr Domingos Gomes, president of the movement, is the case of Paulo Correia, former vice president of Guinea-Bissau, which culminated in the execution of Correia and five other defendants accused of involvement in an alleged coup d'etat attempt.

The president of the Bafata Movement told EXPRESSO that his organization had no ties whatever with former president Luis Cabral [or] with Rafael Barbosa, first president of the PAIGC, who is currently under house arrest in the south of Guinea-Bissau.

The path of dialogue advocated by this organization would involve negotiation with the present government in power, although the Bafata Movement considers it a prior condition that the foreign troops, military advisors and presidential guard (Soviets and Cubans) be invited to withdraw from Guinean territory.

The leaders of this organization told newsmen that they do not maintain relations with the UNITA and RENAMO rebel movements, but they believe that, in Angola's case, the path of dialogue should be taken between the MPLA and the UNITA. Domingos Gomes said he was against "apartheid" and that he supported all South African movements in opposition to the Pretoria regime.

The economic and social situation continues to deteriorate in Guinea-Bissau, where the Fourth PAIGC Congress has just ended. Among the most significant decisions to come out of that meeting is the change in the party label, which will become the PAIG/PC (African Party for Guinean Independence/Party of Cabral). This decision is in response to complaints from the Cape Verdean leaders, who criticize the Bissau regime for keeping the label PAIGC, in which the C stood for Cape Verde.

Bissau's acquiescence to Cape Verde's demands could permit a rapprochement between the two countries.

Oddly enough, the "Bafata Movement" was also demanding the elimination of the reference to Cape Verde in the label of the party with which it now seeks to negotiate a change in the Guinean regime.

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CS0: 3442/38

# CHINESE ADVISERS TO HELP INCREASE FOOD PRODUCTION

Nairobi THE KENYA TIMES in English 16 Oct 86 p 12

[Text] AGRICULTURAL advisers from China are playing a key role in helping increase food self-sufficiency in this tiny mountain kingdom surrounded by South Africa.

Thirty Chinese experts have taken over an agricultural advisory role previously fulfilled by Taiwanese on five small farms in the rugged terrain that makes up this country, one of the world's poorest nations.

Lesotho, with less than two kilometres of railway line and large tracts of rocky mountainous terrain, is totally dependent on South

Africa for revenue gained from migrant workers and also for foodstuffs.

In January, an Economic Blockade of Lesotho by South Africa, which accused it of harbouring guerrillas from the outlawed African National Congress (ANC), was followed quickly by a military coup against premier Chief Leabua Jonathan.

South Africa has no diplomatic ties with communist countries, North Korea, as well as with western countries.

Relations with North Korea soured after Chief Jonathan was ousted and replaced by a military government more friendly to Pretoria. His opponents accused North Korea of training and influencing his youth brigade, which they said terrorised large sectors of the population.

Since then, the new government has begun talks with South Korea. But all this has not disrupted cordial relations with China, whose advisers are popular according to many Lesothans.

When the Taiwanese were asked to leave Lesotho in 1983 they had less than three hectares (six acres) under cultivation at the main project on the outskirts of the capital Maseru, located a few hundreds meters from the South African border.

They concentrated on growing mainly maize, sorghum and wheat. The Chinese advisers have, however, extended the farm

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CSO: 3400/614

# POLICE TO PROBE NORTH KOREAN CONNECTION TO RECENT KILLINGS

Johannesburg THE STAR in English 19 Nov 86 p 15

[Text]

The Star's Africa News Service  
One of the areas the Lesotho police will examine as they try to unravel the mystery of the latest killings in the mountain kingdom is the North Korean connection.

Both Mr Desmond Sixishe, former Minister of Information, and Mr Vincent Makhele, former Minister of Foreign Affairs, had close links with North Korea and with the horde of North Korean diplomats and "advisers" the Jonathan Government welcomed into Lesotho.

Mr Sixishe and Mr Makhele and their wives were abducted from a relative's house in Roma on Saturday night and then shot on a lonely road about 25 km away.

The North Koreans have been regarded as a sinister influence by many conservative Basotho ever since former Prime Minister Chief Leabua Jonathan allowed them to get a foothold in the country three years ago.

While the military government which ousted Chief Jonathan in January has not severed the diplomatic relations that Chief Jonathan established with the North Koreans, it appears to have adopted a distinctly and deliberately cool attitude to them.

Knowledgeable observers believe the government of General Metsing Lekhanya would have no regrets if the North Koreans broke off the relationship.

They have become moribund, however, since the Maseru Government expelled three North Koreans diplomats earlier this year after accusing them of interfering in Lesotho's affairs.

The North Korean Embassy was abandoned and the rented house in which it had operated reverted to its owner.

The military government has revived diplomatic relations with South Korean.

Relations between the two countries were suspended when North Korea was allowed in.

Seoul is now represented on a non-residential basis by its ambassador in Nairobi, who recently presented his credentials in Maseru.

Pyongyang's embassy had been opened in response in a shift in Chief Jonathan's attitude away from Lesotho's traditional Western allies and towards the communist block.

He opened relations with several Eastern Bloc countries and with Beijing (Peking).

The North Koreans responded energetically, setting up an embassy and quickly becoming involved in Lesotho's domestic affairs.

They provided weapons and training for the Youth League of Chief Jonathan's Basuto National Party, and were credited with turning it into an aggressive force that was allegedly killing its opponents and challenging the authority of both the police and army when the military leader stepped in and ousted Jonathan.

The coup is believed by independent observers to have been sparked largely by the North Koreans' activities and alliance with leftist elements in Jonathan's party — including Mr Sixishe and Mr Makhele.

They have been accused of plotting to use the armed Youth League to neutralise the army and overthrow Jonathan's government and replace it with a leftist one oriented towards the communist bloc.

The monarchy would also have been overthrown.

Mr Sixishe, Mr Makhele and the other leftists were detained after the coup and then released.

But there is evidence suggesting that even after that they continued to have clandestine dealings with the North Koreans.

They were accused by the military government of continuing with political activities in defiance of a government ban and shortly afterwards the North Korean diplomats were

expelled.

North Koreans have also played a major role in Zimbabwe.

Their association with Zimbabwe goes back to the pre-independence guerilla war days when Mr Robert Mugabe's Zanla force received military aid and training from that country and from Communist China.

The North Koreans were quick to establish an embassy in Harare after independence, and their military co-operation continued when North Korean instructors were brought in to train the army's Fifth Brigade.

The unit gained notoriety for the ruthless methods it adopted in Matabeleland to put down support for dissidents among the civilian population.

After the Matabeleland operation, which gained the country considerable adverse publicity, the brigade was retrained by national army and British instructors.

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CSO: 3400/614

## DROUGHT REPORTEDLY KILLS 50,000

Durban THE DAILY NEWS in English 24 Nov 86 p 8

[Text]

PARIS: Madagascar is in the grip of famine which has killed 50 000 this year, the liberal Le Monde reported today.

The south is worst hit and 300 000 people have left the region of Androy to flee the drought.

Le Monde Special Envoy Laurent Zecchini discovered there was "a wall of silence" surrounding the famine.

An international charity worker told him: "The Government is doing what it can but it is totally overwhelmed by the extent of the famine."

He said that the death toll from the famine could not be verified, but the figures were supplied to him by Monja Jaona, the main opposition leader.

### Foreign Service

Before independence in 1961 the French Colony of Madagascar was able to supply its own needs in food and even exported rice to neighbouring countries. In those days there were about 50 000 French nationals compared to 18 000 today.

In 1986 Madagascar will import 62 000 tons of wheat and 110 000 tons of rice.

The Le Monde correspondent said the Government needed probably an extra quarter of a million tons of rice, the country's staple diet, but no foreign exchange was available.

He said the Indian ocean island was

"drifting".

President Didier Ratsiraka has been following a socialist, even Marxist, policy since he became dictator in 1975 but "it has been a failure".

The Le Monde reporter said the failure was caused "by a dogmatic refusal to take into account the element of profit in running enterprises, a general state ownership everywhere and a nonexistant agricultural policy".

In addition President Ratsiraka's declared aim to drag Madagascar out of the Western, that is French, zone of influence had resulted in total chaos.

Zecchini said that it was a mistake to look on Madagascar as a Soviet satellite, as President Ratsiraka had refused to let Moscow use the port of Diego Suarez as a naval base or to build radar communication networks on the island.

But unfortunately for Madagascar's image, the Government did not hesitate to support the Soviet Union in the United Nations.

"Despite the introduction of a new code of investment, foreign capitalists are not rushing to put money into Madagascar where society remains deeply influenced by a pseudo-socialist ideology. Famine is increasing in the south, industrial production is falling and there is general insecurity. Madagascar today is paying very dearly for its past errors."

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CSO: 3400/639



## TRAORE TRYING TO HOLD DIVERSE ELEMENTS TOGETHER

London AFRICA CONFIDENTIAL in English 29 Oct 86 pp 2-4

[Text]

President **Moussa Traoré** may soon be asked to cool his recent enthusiasms for the **Soviet Union** and its allies and urged instead to take the bitter economic medicine prescribed by the *International Monetary Fund* (IMF) and the *International Bank for Reconstruction and Development* (IBRD). The impending visit to Bamako of President **François Mitterrand** of **France**, scheduled for the middle of November, follows a steady increase of French interest in this former colony and by a steady build-up of French military forces. Joint operations involving French and Malian troops earlier this year have been given a fresh impetus by the war with **Burkina Faso** which lasted only six days between Christmas last year and New Year's day but which continues to dominate the political calendar.

The fighting, over a disputed border in the Abacher district, added to the country's desperate economic problems, complicated by drought and now by locusts. Six months ago, the president warned that the IMF/IBRD austerity measures had been imposed partially and yet had not worked. It is also admitted that the decision in June 1984 to abandon the Malian franc and return to the franc zone has also been a disaster. Mali's re-admission to the *Union monétaire ouest-africain* (UMOA) doubled prices at a stroke and at the same time halved the value of savings and investments. There are fears that the country's political system is not sufficiently strong to cope with the unrest that is expected when the austerity is imposed in full.

Moussa Traoré, in power now for 18 years, is worried principally about the party he founded in 1979, the ruling *Union démocratique du peuple malien*, (UDPM). At a special session of the party's National Council, the executive organ of the party

between congresses, the president warned that the cadres must accept blame for failing to gain the confidence of the people and for failing to mobilise them in the fight against the country's economic predicament. In its seven undistinguished years, the president implied, the UDPM had failed to win the hearts of its own officials, never mind the workers, farmers and professionals it was supposed to involve and represent. And all this despite the fact that having a party card was essential for promotion in the civil service for winning a scholarship - especially to study overseas, though students might get away with only belonging to the youth league - and even in some areas for buying food from government-run shops.

The principal fruit of Traoré's worries about the political future has in fact been a purge of the party, rather than the opposition. All the members of the key, the Central Executive Bureau (BEC), have been replaced this year. The purge has reached parts of the party apparatus previously thought to be beyond the grasp of the president, up to and including Gen. **Amadou Baba Diarra**, hitherto unassailable as the number two in the government. In position since 1971, Diarra had been the sole surviving member of the group which seized power with Traoré in 1968 and his fall from grace came despite his considerable popularity with the army. All earlier attempts to get rid of him on charges of scandal, corruption or whatever had all come to nought and indeed, at the last party congress, a cabal led by friends of the president had come close to unseating Diarra from his post as joint secretary-general, only to be checked when senior officers quietly reminded Traoré that the unity of the military establishment required Diarra's political survival. Diarra is widely believed to be a

strong advocate of French interests and this, combined with the distractions of his large business involvements, has slowly chipped away at his position. He is now felt to be nearer the edge of disgrace than ever before.

The president's purge of the party has been followed, however, by other purges which reflect the government's alarm in other quarters. The army's unimpressive conduct in the war against Burkina Faso led to dismissals and arrests. Gen. **Boukari Sangaré**, armed forces chief of staff, and Col. **Koké Dembélé**, chief of army staff, were both detained in the aftermath of the Christmas war. Sangaré was downgraded to colonel and forcibly retired, while Dembélé was dismissed. Gen. **Missa Koné**, who had been a member of the junta which seized power on 19 November 1968, and who held the post of director of building and construction for the army lost his job, too. Col. **Mohamadou Keita**, gendarmerie chief of staff and Col. **Sékou Dounbia**, inspector-general of the army, were also retired, though these last two still hold office in the UDPM. The precise reasons for these demotions and dismissals were never spelled out but public opinion demanded that someone be held visibly accountable for the disastrous retreat of Malian forces and for blunders like the abandonment to the Burkinabe troops of perfectly serviceable tanks.

Junior officers were subsequently promoted to fill the gaps in the military hierarchy caused both by the dismissals and the fighting. Only two officers were gazetted killed in action but it is believed that casualties were in fact more serious, in military as in civilian circles. The new chief of general staff, however, is the former interior minister, Col. **Ibrahim Sylla**, recalled from his post as ambassador to **Algeria**. Sylla's promotion stills rumours that he was sent to **Algiers** to silence allegations of corruption.

The new chief of gendarmerie staff is Lt.Col. **Kafougouna Koné**, a surprising choice since he is a tough, no-nonsense paratrooper and the implication is that he is being transferred to the gendamerie to restore discipline in the ranks.

### Stock cube

The military promotions tighten the links between the small group of close friends of the president who now occupy the central posts of the government. General **Sékou Ly**, an old crony of Traoré, holds the defence portfolio, the first time since 1978 that the president has trusted it in other hands. Ly, a lieutenant at the time of the 1968 coup, is virtually the only officer who was rapidly promoted since,

despite having had no hand in the events of 19 November. A former mayor of **Bamako**, he is now a power in the land. **Sékou Ly** and **Djibril Diallo**, still political secretary of the party, have extensive business interests, (co-operatives, farming and agro-industrial enterprises). Other businessmen have important military or governmental partners or backers and the business community as a whole is tightly bound to the regime through its own organisation, the *Fédération nationale des employeurs du Mali*. The president's wife, **Mariam Traoré**, is herself a successful and prominent entrepreneur with a particular interest in the grocery and food trade. Her nickname is '*La cube Maggi*', a reference to the renowned **Swiss** stock-cube, though hardly a flattering physical comparison.

Friends and political allies of the inner circle occupy the outer reaches of the party and government apparatus. One of **Sékou Ly**'s proteges, **Mbouille Siby**, is organisation secretary of the BEC, while other **Ly** allies now occupy the cabinet posts of foreign affairs, education and culture, and sport. An equally old friend has returned as prime minister. The job is really nothing more than a co-ordinator between the various government departments and cynics see it as a shield to protect Traoré from popular wrath if, as widely expected, there is trouble in the streets after the next dose of economic belt-tightening. The post is, of course, held by Dr **Mamadou Dembélé**, a former surgeon who came to politics late in life as the result of his friendship with Traoré. In 1979, at the time of the creation of the UPDM, he was nominated as its secretary for external relations. A hard-liner, Dembélé is credited with organising the crackdown against the students and teachers' protests in 1979 and 1980.

Signs that the Traoré regime is preparing for another period of severity are increasing all the time, and date back to the union challenge to the government this time last year. The crisis in government finance has led to incessant delays in the payment of wages and salaries. Civil servants have to wait so long for their pay that the joke in **Bamako** is that the month in Mali is not 30 days but 90 or even 120. So last December, when September's wages were nowhere in sight, there had been rumblings of discontent and talk of a public employees' strike. On 7 December last year, one of the 12 unions which make up the UNTM delivered an ultimatum. The *Syndicat national de l'éducation et de la culture* (SNEC), threatened a two day strike on 19 December if the money were not found. Other unions promised support and, to everyone's surprise, the student movement, to all intents and purposes decapitated in 1980 with the death of its leader **Abdul Karim**

**Kamara**, came alive. A pamphlet appeared entitled '*Le Militant de l'UNEEM*', a reference to the student movement whose agitation had led to the closing of the schools and colleges for two years. Despite earlier pleas that the state's coffers were empty, the government found the money and paid the back salaries.

Traoré, however, refused to let the matter drop. Indeed, after the war, and despite the wave of popular support for the government that it generated, Traoré chose to puncture the bubble of patriotic fervour by counter-attacking the unions. During the war, the regime's flagging popularity miraculously revived. Malian embassies abroad were besieged with volunteers wanting to fight for their country against Burkina Faso. Patriotic donations were the order of the day and Malian merchants abroad gave 100m CFA. Five times that amount was sent home by Malians working in the Côte d'Ivoire and there were touching gifts in kind; ten fat bullocks, 107 tons of rice, 100 cartons of butter, 20,000 gallons of petrol and so on. The government encouraged the people's feelings and pleaded for national unity in the face of the external enemy. But when the war was over and the imams of Bamako came to wish the president a happy and prosperous New Year, Traoré, the president to the horror of his advisers, blurted out that Burkina Faso had sympathisers and fifth columnists inside Mali and that there had been contacts between the teachers and the Burkina Faso head of state, Capt. **Thomas Sankara**. Attempts to get the president to reconsider were pointless since the whole thing had gone out live on *Radio Mali*.

In an attempt to add substance to the president's allegations, the police proceeded to make arrests. Seven people were arrested on suspicion of being in the pay of the government of Burkina Faso. Two months later, six of them were charged with insulting the head of state, rumour-mongering, conspiracy and harbouring a fugitive.

Despite the presence of a teacher among the accused, evidence of a 'teachers' plot' was difficult to find and in the end the president confessed to a gathering of party workers in Banamba that he had been mistaken and that it was not the teachers after all but the students who were the traitors and that some of the culprits were in prison. It is significant

that Traoré unburdened himself of his frustrations with the union movement at a meeting with religious leaders for it is in the ranks of traditional muslim authority that the army finds its civilian buttress. The marabouts in the countryside retain considerable influence, particularly since in many constituencies, the members of parliament are direct political descendants of the colonial chiefs or '*commandants de cercle*' appointed by the French authorities. The sherifs of Mioro du Sahel are the president's own marabouts and spiritual advisers, and have thus gained an even greater authority in western Mali than they already had as a result of their descent from Sheikh **Hamallah** who clashed with the French in the 1940s<sup>1</sup>. The Mioro are represented on the BEC by their disciple and protege, **Bouillé Siby**, who is also known to Gen. Ly. One of Siby's colleagues, **Mbaye ag Mohammed**, is regarded as pro-consul for the Firhoun clan, who also have a deputy in the parliament<sup>2</sup>. Other important Touareg groups are represented in the government, including **Ahmed Mohammed Aghamani**, the longest serving member of the government after Traoré himself, and **Hama ag Mahmoud**, named in June as minister for employment and the civil service. All the old aristocratic lineages of the north, and their attendant marabouts, are carefully included in government, as are the businessmen, whose interests are championed in parliament by men like **Sory Konandji** and **Babo Minta**, both extremely rich entrepreneurs from Ségou and both close to the president. There are, of course, limits to how much influence businessmen as such are able to wield. When in 1981 the president of the businessman's organisation urged his members to take a more active political role on the grounds that the politicians were incompetent, he clearly went too far. **Balla Coulibaly** was later required to clarify his words with a radio address retracting his more radical strictures. Less easily classified are the Islamic reform movements like the wahabists or, worse, fundamentalists. The government tries to contain Islamic protest within the bounds of the *Association malienne pour le progrès et l'unité de l'Islam*, a body run in fact by a senior official from the interior ministry. Yet the wahabists, in particular, are useful since they bring in money from **Saudi Arabia** and **Kuwait**. Col **Gadaffi** of **Libya**, ever active in this regard, encourages them, too.

#### FOOTNOTES

1. Sheikh **Hamallah** was deported by the Vichy authorities during the Second World War and died in prison in France in 1943.

2. **Firhoun ag Alinsar** was the chief of a Touareg clan the Dulliminden. He fought the French in the north of Mali and died after a skirmish in 1915.

## MOZAMBIQUE

CHISSANO SAID PREOCCUPIED WITH REBEL ADVANCES

Lisbon SEMANARIO in Portuguese 15 Nov 86 p 48

[Article by Carlos Blanco de Moraes; first paragraph is SEMANARIO introduction]

[Text] Despite the East-West solidarity, despite Zimbabwean support, despite the mutual reaffirmation by Maputo and Pretoria that they will honor the Inkomati Accord and despite the apparent "pragmatic" image of Chissano, the fact is that the succession-period truce has ended; RENAMO, with hunger as its ally, is advancing resolutely in the interior.

Joaquim Chissano, Mozambique's new president, has reaffirmed his country's intent to honor the Inkomati accords, thus following in the footsteps of his predecessor, Samora Machel. For many people the statement clearly illustrated the innate "pragmatism" of the new FRELIMO leader. Still, perhaps except for such as the Ayatolla Khamenei, it would be difficult for an individual caught on a branch at the edge of a cliff not to be "pragmatic" if an enemy extended a hand to him.

Bearing in mind that Pretoria will not easily consent to the shipment of Cuban troops to Maputo, Chissano had no other course but to ask indirectly for the understanding and support of the Boers, swallowing suspicions arising from the crash of Machel's plane and his own original opposition to the Inkomati accords.

Although the leader feels it is the primary task of the government to combat those whom he calls the "armed bandits," the fact is that simple declarations of military intentions and the possible replacement of Sebastiao Mabote (who has been made the scapegoat for the current troubles) by Armando Panguene as commander of the army are not enough to restrain a guerrilla who is, as MONDE sees it, traveling at full tilt.

### Deadly Offensive

On 25 September, the Mozambican National Resistance launched an unprecedented offensive at various points in the country, resulting in the fall of several cities which are still in rebel hands today. Mutarara, Caia, Milange, Gile, Nametil and Mueda may have been occupied by RENAMO, since their fall was confirmed in Maputo by several ranking officers of the FRELIMO. The rebels also claim to have destroyed Zumbo and the garrison at Vila Machado, on the Beira rail line.

The presidential succession period was marked by an unspoken and expectant unilateral cease-fire by the opposition, but it was short-lived. In addition to the threats of possibly carrying the guerrilla war into Zimbabwe (which has sworn to defend the sovereignty of Mozambique), RENAMO has resumed its operations.

Reports received from Mozambique this week indicate that the rebels have laid waste to the rich region of Angonia, in the Tete zone, and have captured the garrison at Lilongue, where several ground-air missile batteries had been installed.

Several foreigners from EEC countries (including Portuguese, British and West Germans) may have been captured by the guerrillas, who are continuing their advance.

Some people say that rebel leader Afonso Dhlakama intends to launch attacks soon in the zone of Chinde, near the Mozambique Channel, with the goal of capturing this settlement and the strategic area of Mocuba. If these centers fall, Quelimane, the general headquarters of FRELIMO in Zambezia Province, would be in check and the country could be divided in half.

It is natural that the Zimbabwean troops who are guarding the Beira corridor, not much farther away, are determined to intervene. The problem is that the rebels appear to be less and less intimidated by the presence of well-armed troops from this neighboring country, after the setback inflicted by the rebels, recapturing their general headquarters in Casa Banana, in Gorongosa. Then, too, an offensive launched a few weeks ago by government troops, with the support of Zimbabwean forces, to retake Mutarara came to grief, resulting in a large number of casualties, according to a report in MONDE last week.

#### Center of the Rebellion

Upon the death of Orlando Cristina and of FRELIMO dissident Andre Matsangaissa, the principal founders of the RENAMO, Afonso Dhlakama inherited a movement which was difficult to coordinate and which bore the stigma, internationally, of its dependence on South Africa. Lacking Savimbi's charisma, Dhlakama prepared to consolidate his power inside the country before launching any campaign to clean up his image abroad. The rebel leader gradually centralized control and established discipline in the scattered armed bands which were fighting under the FRELIMO banner, turning them into a better-organized guerrilla force. To do this, he counted on the cooperation of important regional chiefs, who operate under their real names or aliases. This is the case with Commander "Dick," in the northern zone, Commander "Ismail," in the central zone, and "Paulo Domingos" in the southern zone. The progress of the movement inside the country led the United States and the FRG to take unofficial action to create another image for RENAMO, as a result of which Dhlakama replaced Secretary General Evo Fernandes (head of the so-called "Indian connection"), who, according to some sources, was functioning as an all too obvious "link" with South Africa.

Equipped with a "brain trust" and an exceedingly vague party program, it will not be easy for Dhlakama to put together a group of cadres capable of presenting an image abroad of real capacity for the eventual exercise of power. Recently, however, there has been a real effort in this regard, particularly in

the United States, through Arthur Vilankulu, Gedeao Mahluzu and Serapiao (this last is a professor at a U.S. university). Observers think that contacts could be made to recruit other qualified dissidents, such as Joao da Costa, former RENAMO representative in Bonn, and Miguel Murupa, who may have the highest political and intellectual stature among the civilians.

The idea of a union with minor groups, such as FUMO [Mozambique United Front] and MONAMO [Mozambique Nationalist Movement], may have been temporarily abandoned, given that these two movements have no political and military standing inside Mozambique.

#### War to the End or Negotiation

The RENAMO offensive is reminiscent of the progression of the Bagandas de Museveni guerrillas in Uganda before the fall of the military regime of Tito Okello. The advance has followed tribal lines, namely areas in which the Ndau-Shona and Macua tribes predominate. It would not be easy for the rebels to take the capital, where the population, which is ethnically Changane, is potentially hostile to the rebels and supports the government. Still, acts of sabotage are occurring increasingly on the outskirts of Maputo.

The British Government is increasingly concerned about the situation in Mozambique, considering the interests of the Lonrho group in the Beira "pipeline." Not content with the deployment of Zimbabwean troops in the region, the British Government and Lonrho are subsidizing the firm Defense Systems Ltd., whose instructors are training a troop of 600 FRELIMO soldiers 50 kilometers north of Maputo. A resurgence of the rebellion in the Nampula zone could make the operation futile, since its purpose is to guarantee the functioning of the rail line to the port of Nacala. In recent months, sectors connected with the British secret services have warned the Thatcher government that it would not be advisable to pursue any military involvement on Mozambican territory, since the rebels are in a position to win significant victories on the ground. This assertion is corroborated by the recent desertion to Malawi of 1005 demoralized FRELIMO soldiers, who decamped with weapons and baggage (a point which the British and French newsmen particularly stressed).

At the moment, Joaquim Chissano has little bargaining room, since he is constrained by the other two members of a "troika" which, in fact, is in control of the government. They are Marcelino dos Santos, the party man, and Chipande, the army's man. As we said 2 weeks ago, the appeals for mobilization against the above-mentioned "armed bandits" will certainly continue until the situation worsens seriously. If that happens, it may be the FRELIMO veterans themselves who call for a dialogue with the opposition, to salvage whatever can be salvaged, and Chissano, who is said to be a "practical man," will--if it is not too late--come to act with the pragmatism which they like to attribute to him.

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CSO: 3442/38

## MOZAMBIQUE

### CHISSANO SEEN AS CONTINUING PRO-SOVIET LINE

Lisbon 0 DIABO in Portuguese 11 Nov 86 pp 7-8

[Article by A.M.Z.]

[Text] Joaquim Chissano's mandate as president of FRELIMO and of the People's Republic of Mozambique got off to a bad start. It began with a scandal; in Pretoria, South African Foreign Minister Roelof Botha revealed that Samora Machel and Robert Mugabe, president of Zimbabwe, had been planning the overthrow of Kamuzu Banda, president of neighboring Malawi, and the foreign minister had evidence; he exhibited documents in this regard, which had been found in the wreckage of the plane in which Machel lost his life.

Maputo and Harare dispute the authenticity of these documents, as they could be expected to do. According to impartial observers, however, such denials have no more credibility than the statements of those on the other side, who seek to convince public opinion that there is no support for the Mozambican National Resistance from Malawi or South Africa. Mozambican and Zimbabwean denials of the plot against President Banda are echoed, naturally, in the other Front Line countries and in Soviet-influenced international circles, but not, however, in other African countries, such as the Ivory Coast or Zaire, which are outside Moscow's influence.

The authenticity of the documents presented by Minister Botha had, incidentally, been verified in advance by the violent campaign launched against Malawi in the Mozambican news media 2 months ago and crowned with the assault on the Malawian Embassy in Maputo during the highly significant demonstrations which signalled the nomination of Chissano for the presidency. Such a campaign was obviously leading to something more serious against Kamuzu Banda; there was no other reason for it. Notwithstanding the transit facilities, and others, which the RENAMO had succeeded in obtaining from Malawi, it is certain that the Lilongwe government would not have refused to cooperate with Maputo, to the point that it had, more than once, and very recently, turned over to the FRELIMO authorities hundreds of government soldiers who had fled to Malawi.

Why Banda? Why Malawi?

The documentation presented in Pretoria by Roelof Botha reveals that the plot by Machel and Mugabe (and perhaps also by Kenneth Kaunda) had the support of

the Soviet Union. It might be more precise to say that it was encouraged by the Soviet Union. For 20 years, the regime of Kamuzu Hastings Banda has been a barrier to the expansion of Soviet influence in southern Africa. The old statesman is one of the rare modern politicians--African or otherwise--capable of distinguishing, on one hand, between the people's right to self-determination and the communist project to turn this right into a tool of Soviet internationalism and, on the other hand, between the struggle against "apartheid" and the recognition of the preeminence of South Africa among the African countries.

Banda became particularly inconvenient after the moment in 1968 when he noted, with eminent good sense, that "if the Europeans do not have the right to be in southern Africa, then the Arabs have no more right to be in northern Africa." A regime led by a man who thinks this way is a regime to be overthrown by the same forces that wish to overthrow the Pretoria regime. For this reason, it is Zambia, Zimbabwe and Mozambique which harbor President Banda's enemies--those of the Free Movement or those of the Socialist League

Aside from what Kamuzu Banda represents, even in his eighties, as an anticommunist dictator in sub-Saharan Africa, Malawi is also a prosperous country, with a much better standard of living than its neighbors and with a vocation for regional leadership. If it continues as such, and if the neighboring countries continue to deteriorate, by the 21st Century we could see Malawi move beyond the borders of the former Niassaland and demand "vital space." This is another reason why the neighboring countries would now like to destroy the unity and stability which Malawi has enjoyed under the paternalism of Kamuzu Banda.

In the specific case of Mozambique, there is another reason to picture Malawi as an enemy of the People's Republic; it is a way for the FRELIMO to divert attention from the reverses which the rebels have inflicted and to drag out the tired formula that "the republic is in danger," to which revolutions have always resorted when they are on their last legs.

#### 'Socialist Countries Our Oldest Allies'

Resulting from an official propaganda campaign which went on for 2 weeks, the attack on the Embassy of Malawi and the stoning of the South African trade mission constituted highly provocative acts. FRELIMO could be sure that such disturbances would provoke reprisals from the two neighboring countries and could thus present itself as the victim and not the guilty party. However, the targets turned the other cheek; in a letter addressed to Chissano, Pieter Botha, president of South Africa, reiterated his desire to maintain the Inkomati Accord. It is a continuing game of deceptions, but diplomacy thrives on this.

There is no deception, however much it may dismay the Africanologists in the U.S. State Department, in the position publicly assumed by President Chissano in relation to the Soviet bloc. Early in his inaugural address, the new Mozambican dictator cited "the consolidation of socialism" as a priority task and pledged to maintain the very best relations with the Marxist parties. Days later, on the occasion of the anniversary of the Bolshevik revolution of 1917, Chissano sent Mikhail Gorbachev a lengthy and warm message, stressing his wish to see the "ties which unite the two peoples, parties and government become closer and closer."



"It is necessary," Chissano emphasized, "to give priority to strengthening the traditional relations of brotherly friendship, militant solidarity and fruitful cooperation with the Socialist countries, which have always been our allies."

For anyone who thought that the FRELIMO "Politbureau" had chosen Chissano over Marcelino dos Santos because Chissano was not so pro-Soviet, this message to Gorbachev had the effect of a cold-water douche.

### Ironies of Fate

The pursuit of the Soviet route by Samora Machel's successor, the insistence on regional destabilization, the refusal to come to any understanding with the MNR: this is certainly not the best path to take to restore a ruined country like Mozambique, in which a highly significant indicator is the change occurring in the cashew nut market; in order to keep some of the cashew processing plants installed by the Portuguese before 1974 in operation, the People's Republic of Mozambique, which was the world's second largest cashew exporter 12 years ago, is currently forced to import cashew nuts.

Mozambique's foreign debt stands today at about \$3 billion, according to Finance Minister Majid Asman. The solution arrived at by the late President Machel to avert a total collapse--recourse to the "odious capitalists" of the International Monetary Fund--is one of those remedies capable of killing instead of curing. As it has always done, the IMF is demanding a rigorous cut in public spending and austerity in private consumption, but if FRELIMO cuts back expenditures in its already weakened military sector, it will hasten the victory of the rebels, and to the extent that the people suffer further deprivation (at least 2 million people are suffering from hunger and the shortage of essential goods is felt by everyone who is not a member of the party "nomenklatura," except for cooperants who are paid in dollars), there will be further revolts and the number of potential RENAMO adherents will grow.

Despite some appearances to the contrary, foreign investors are increasingly following the advice given them 2 weeks ago in the French financial publication NORD/SUD EXPORT: "Do not commit yourself, because investment in Mozambique represents an unaffordable risk."

One exception to the general lack of confidence is seen in the powerful English group "Lonrho," directly or through the various decision centers which it maintains. With typically English obstinacy, stubbornly prepared to perpetuate the memory of Cecil Rhodes in southern Africa, Lonrho is wagering millions of pounds, not only on the promotion of an area now known as the "Beira corridor," but on other areas from Ponto do Ouro to Rovuma. From agriculture to mining and tourism, everything in Mozambique today is in the sights of the English.

Averted by Salazar, at the cost of buying them out in the port and railway areas, the risk of British colonization of the "Beira corridor" is growing now as never before, thanks to FRELIMO. Ironies of fate.

## Corridor Cut Off

Nonetheless, Lonrho's grandiose plans for the "Beira corridor" face an obstacle which has proved insurmountable up to now--control of the region by the guerrillas of Afonso Dhlakama, even though a Zimbabwean expeditionary force, furnished by Robert Mugabe, has been maintained there for more than a year.

The most recent RENAMO communique--which FRELIMO has not denied--reports that the rail line from the port of Beira to the border has been cut at four points: Dondo, Tica, Mafora and Gandula (precisely the "corridor" which Lonrho had already claimed for itself) and this in addition to several operations conducted in Tete and Nampula provinces and the destruction of two freight trains. According to the same source, the government casualties exceeded 300 men, about half of whom were Zimbabwean troops.

If Joaquim Chissano succeeds in carrying out what he announced in his inaugural address--"to crush RENAMO and end the war"--it will please both his Soviet friends and the British plutocrats who are collaborating with him. By the look of things, RENAMO does not appear at all disposed to let itself be crushed.

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CS0: 3442/38

## NIGERIA

### BRIEFS

MILITARY DELIVERIES ORDERS--Intended for border surveillance and sea patrols, the second Fokker (Netherlands) F-27 PatMar aircraft was delivered in September. It may be recalled that the first airplane of this type has been in service since May 1986 in the Nigerian Air Force. These aircraft were ordered in 1982. The postal authorities have just ordered 5 Embraer EMB-110P1 planes from Brazil for transporting mail bags. The Czechoslovak Aero company delivered the first 24 L-39 Albatros planes in August. [Text] [Paris AFRIQUE DEFENSE in French Oct 86 p 38] 9824

CSO: 3419/39

## SWAZILAND

### BRIEFS

COCA COLA, OTHER COMPANIES RELOCATING--Coca Cola is to move its concentrate plant from Durban to Swaziland. The company joins a growing list of South African-based firms setting up shop there to avoid international sanctions. Coca Cola officials confirmed yesterday they had agreed in principle to build a plant at Matsapha, near Manzini, to produce coke concentrates for bottling companies in central Africa. The giant American soft drink company's Johannesburg external affairs manager Hennie Viljoen said the plant would close down Coca Cola's Durban concentrate operation in 1987. Coca Cola announced last month its intention to leave SA. The firm intends to sell off its SA marketing, advertising and bottling functions, in part, to a group of black investors. The highly mechanised Coca Cola plant will only employ 30 people, but Swaziland officials say other relocations from SA are bringing thousands of jobs to the kingdom. Two Taiwanese-owned garment firms, Oriental Swaziland and Swaziland Garment Industries, relocated in Swaziland in 1985, bringing 1,200 jobs. Swaziland's Commerce and Industry Minister Derek von Wissel expects more SA-based companies to follow the same route. SA's trade representative in Mbabane, J. M. Sterban, confirmed there had been a recent upsurge in inquiries from firms interested in moving to Swaziland. Tax incentives in Swaziland make it an attractive investment. [Text] [Johannesburg BUSINESS DAY in English 7 Nov 86 p 3] /9274

CSO: 3400/615

HUMAN RIGHTS SPOKESMAN CITES CONTINUED VIOLATIONS, TERROR

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 20 Oct 86 p 5

[Article by Guenter Krabbe, Nairobi: "The Terror Continues Also Under Museveni"]

[Text] Nairobi, 19 Oct--A Ugandan human rights group has accused the government of the East African state of "serious violations of human rights" and has urged other countries to exert pressure on head of state Museveni. The secretary general of the human rights group, Sera Muwange, said in a conversation with Ugandan journalists in Kampala that in the north of Uganda "many innocent people" were being tortured and killed by the army because they allegedly were rebels or supported the rebels. A spokesman for the Ministry of Information in Kampala rejected these accusations as unfounded.

Daily, said Muwange, prisoners from northern Uganda are being brought to Kampala. An unknown number of them have died as a result of torture. The public is being kept in the dark regarding the true course of events in northern Uganda. "Where are the women and children? Are they all rebels up there?" asked Muwange. He expressed doubt that those who have disappeared have been taken to "re-education camps." "How do we know that they are not lying in those mass graves which, as the government officially announced yesterday, Museveni just visited?" Museveni had inspected mass graves in northern Uganda in which rebels, allegedly killed in battle with the army, were interred. "In a few years" Muwange conjectures, someone, on the basis of these graves, will "present evidence for outrages in northern Uganda similar to those committed by the armies of Milton Obote and Tito Okello in the so-called Luwero Triangle."

President Milton Obote, who came to power in 1980 with Tanzanian help, was overthrown in 1985 by a mutiny under General Tito Okello. In January of this year Yoweri Museveni reached the capital of Kampala with his rebel army after 5 years of fighting. He has been the head of state since that time. His victory was celebrated among the Bantu-speaking southern Ugandans because it meant an end to the almost 20-year-long reign of murder and terror by Nilotic politicians from the north of Uganda--first Obote, then Idi Amin, then Obote again, and finally Okello. Following his assumption of power, Museveni showed journalists and diplomats mass graves, thousands of skulls of murdered people, and other evidence for his claim that from 1981 to 1985 alone, more than

300,000 people were killed by the troops of the governments than in power. While Museveni has been able to prevail in southern Uganda, the civil war continues in varying degrees of intensity in the north, where he faces the remnants of the armies of all the previous heads of state.

Muwange, himself a southern Ugandan, appeared to be revolted that Museveni supposedly thanked his army during the inspection of the graves in the north. Previously, the human rights activists protested the fact that relatives of the government ministers who had been arrested 2 weeks ago in Kampala, as well as other persons, were being prevented from providing the prisoners, to whom lawyers also have no access, with blankets and food.

The courageous Ugandan journalists do not hesitate under the Museveni regime to publish reports critical of the government. Under Amin and Obote especially critical editors and reporters were locked up, tortured and murdered. In the final months before he took power Museveni courted the foreign journalists in Nairobi to get them on his side. Of course since then, he and functionaries of his government have repeatedly "warned" and threatened the Ugandan and foreign press with "consequences." The correspondent of the FRANKFURTER ALLGEMEINE in Nairobi, who last visited and reported on Uganda in July, was passed a warning from Uganda that his reports were spreading "poison."

Interior Minister Ssemogerere should resign because Museveni did not inform him in advance of the arrests of the government ministers. This was demanded by the spokesman of the People's Democratic Movement of Uganda in a telephone conversation with a Kenyan newspaper. This "movement" claims to be coordinating the resistance to Museveni. Ssemogerere, as interior minister theoretically responsible for the security of the state, first learned about the arrests of former Vice President Muwanga, three cabinet ministers and a journalist, from the newspapers. The ministers and the journalist are leading members of his own Democratic Party and were among his closest colleagues. Because they allegedly were planning Museveni's overthrow, they are accused of conspiracy to commit high treason; they are to go on trial soon.

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CSO: 3420/3

## BRIEFS

REFUGEES TOLD 'GROW OWN FOOD'--Lusaka--The number of Mozambican refugees in eastern Zambia has risen to about 19,000, Ms Chibesa Kankasa, an official of the ruling Zambia Unip party, has said. Ms Kankasa, a Unip Central Committee member for the Eastern Province, said Mozambicans continue to cross the border from Tete. She announced that those refugees settled in camps at Chadiza, Ketete and Petauke are to be given hoes and seeds so that they can grow their own food and lessen their dependence on food aid from the government. A team from the Zambian ministry of Home Affairs and of the United Nations High Commission for Refugees is meanwhile screening refugees in the Luangwa district. Mr Stanlus Nyamkandeka, governor of Luangwa, said the screening exercise is being carried out because "not all refugees are genuine." He refused to give any other details. [Text] [Johannesburg THE STAR in English 25 Nov 86 p 8M] /9274

ZAMBIANS FORCED TO JOIN SA ARMY--Lusaka--Hundreds of youths illegally crossing into Namibia from Zambia's Western Province to look for work or to visit relatives are being conscripted into the Caprivi Strip home guard of the South African army to counter Swapo freedom fighters, reports the Zambia Daily Mail. Hundreds of youths from villages along the border from Mambova to Sikonge in Senanga receive military training from the South African army to fight Swapo while others are sent to Zambia to collect information. The youths cross into Caprivi Strip in canoes at night. Three of them, Ben Manyando, Mullokela Mullokela and Michael Silumesi, who had been forced into the home guard but managed to escape, said from Nalisa Village, near Sesheke, that boys and girls are targets of South African security recruitment. Secretary of State for Defence and Security Mr Alex Shapi said that although he was not aware of the Zambian youths being forced to join home guards at the Caprivi, he knew that South Africa was recruiting Zambians for training to overthrow the Zambian government. The three escapees said they crossed into Namibia early this year in canoes but before they did anything, they were rounded up and sent to a camp under threats of execution because they were accused of being Swapo members. [Text] [Harare THE HERALD in English 30 Oct 86 p 3] /9274

CSO: 3400/615

## SCANDINAVIAN COUNTRIES AID IN DEVELOPMENT PROJECTS

## Sweden Signs 3-Year Grant Agreement

Harare THE FINANCIAL GAZETTE in English 28 Nov 86 p 29

[Text]

**ZIMBABWE and Sweden are to enter into a new \$110 million three-year grant agreement, to take effect on July 1, 1987, for the continuation of various sector projects currently being carried out in Zimbabwe, and for the introduction of a new transport sector assistance programme.**

Apart from the new \$20 million transport sector project, there will be no other new sector programmes, and the balance of the amount will be used for the continuation of education, health, manpower training, and import programmes.

The planning economist of the Swedish International Development Agency (Sida), Mr Tor Sellstrom, this week told the *Gazette* that the transport programme would include the secondment of Swedish road engineers to Zimbabwe, the construction of secondary and feeder roads by the Ministry of Transport and the District Development Fund (DDF), and training programmes for Ministry of Transport staff.

Continuing projects in the education and health sectors include the construction of schools, houses, training of technicians for hospital equipment, and public administration training for district and local government officers through the Swedish Association of Local Authorities (Sala). Sweden is also assisting in the amalgamation of rural and district councils, and in the establishment of the Urban Development Corporation.

A personnel and consultancy fund will continue to be used for various studies, the major study being the Zimbabwe rural roads study being carried out by a Swedish consultancy firm, VIAK, for the design of

roads in rural areas.

This fund has also been used for the recruitment of road engineers, four traffic controllers for the department of Civil Aviation, and for the equipping of a new training centre at the Vehicle Inspection Depot, said Mr Sellstrom.

Last year, Zimbabwe received a total of \$110 million in grant finance of which 35% was from Sweden for rural area projects, and for commodity import programmes. This year, a commodity aid programme amounting to nearly \$10 million has also been made for the private and public sectors.

Swedish funds cannot be used for the procurement of goods from South Africa, and companies with interests in South Africa do not qualify for assistance in commodity import programmes. Also, equipment for police or military use, cannot be imported with Swedish aid.

## TELECOMMUNICATIONS

Funds amounting to about \$40 million have also been made available for Sadcc transport and telecommunications projects, including the Beira Corridor project, the Botswana, Zimbabwe, and Zambia microwave link, the international telephone exchange at Gweru, and, together with Norway, a project for a power transmission link between Mozambique, Zimbabwe, and Malawi.

The establishment of a regional post sorting office in Harare is also being considered, and a team from the Swedish Posts and Telecommunications Corporation, SwedPost, will soon arrive in Zimbabwe for the preliminary planning of the project, said Mr Sellstrom.



## Denmark Helps Find Alternative Supplies

Harare THE FINANCIAL GAZETTE in English 28 Nov 86 p 29

[Text]

ZIMBABWE has started to look for alternative sources of supply of essential goods it is currently importing from South Africa — and Denmark has been asked to help.

Mr Henrik Lilverborg, head of section in the Danish Ministry of Foreign Affairs (Trade Department), told the *Gazette* this week that his country has been approached by the Zimbabwe Ministry of Trade and Commerce "to identify areas where we could increase our commercial relations particularly in view of the situation in South Africa."

The ministry, he said, has already prepared a list of export and imports between Zimbabwe and South Africa.

ca. "From that list, we have been trying to identify areas where we can step in."

Mr Lilverborg added: "We have had a number of meetings with officials from the Ministries of Trade and Commerce and Industry and Technology, the Confederation of Zimbabwe Industries (CZI) and a large number of Zimbabwe exporters and importers."

"We feel that there is room for increasing our trade especially for goods such as vegetables, pharmaceutical products, industrial machinery, paper products, textiles and garments, wood and wooden products, peaches, plums, grapes, oranges and strawberries," said Mr Lilverborg.

## Norway's Redd Barna Helps Children

Harare THE HERALD in English 1 Dec 86 p 5

[Text]

THE Norwegian Save the Children, Redd Barna, raises its funds through about 250 000 donors in Norway, including children, a spokesman said in Harare.

Half of the organisation's funds come from the Norwegian ministries of Development Co-operation and Foreign Affairs.

The assistant resident representative of Redd Barna, Mrs Valbjorg Hoaas, said in a statement that 4 500 of the schools taking part in the tree care and planting competition it sponsors were primary schools.

It was incorrectly reported by Ziana that Mrs Hoaas was the resident representative. She said Mr Knut Ringstad had been appointed resident representative from today.

Mrs Hoaas also corrected misinterpretations in the Ziana report.

She said the bulk of the organisation's \$2,2 million budget for next year in Zimbabwe was for assistance to rural resettlement programmes, including the supplementary feeding programme and the tree care and planting competition run by the Ministry of Education.

As a non-governmental, non-profit, voluntary and humanitarian organisation funded in Norway, Redd Barna gave "assistance to children in need of help", she said.

Commenting on the Ziana report, Mrs Hoaas said: "Our assistance to liberation movements in Southern Africa is limited to providing material assistance to the children in resettlements (camps) in Angola, Tanzania and Zambia."

Redd Barna spent about \$625 000 on Mozambican displaced people in Zimbabwe and Tete this year, she said.

## Danida Improves Agricultural Schools

Harare THE FINANCIAL GAZETTE (Farming) in English 28 Nov 86 p 32

[Text]

**THE DANISH International Development Authority, Danida, is spending around \$9 million on a programme aimed at improving Zimbabwe's four lower-level agricultural training institutes.**

Esigodini institute near Bulawayo was expanded last year, and work is to start soon on the Kushinga Phikelela, Rio Tinto, and Mlezu institutes. The programme should take another two years to complete.

The four institutes train agriculturalists for duties at a relatively low level, such as communal-area extension work. Danida has promised to cover costs in connection with "modifications, infrastructure, alterations, furnishings, equipment and teaching aids," according to Denmark's development counsellor in Zimbabwe, Henning Frötlund.

Danida may also help to modify teaching syllabuses in an attempt to improve the quality of education.

Esigodini institute was expanded to accommodate 200 students rather than the previous 40, and a new assembly hall is still to be built, said Frötlund.

Work has begun at Kushinga Phikelela, near Marondera, while at

Mlezu (Kwekwe) over \$1 million is to be used to modify old hostels and to build new ones, to buy machinery, and to improve other facilities. Modifications will begin in early 1987, tenders already having been issued.

New drawing for Rio Tinto (near Kadoma) are ready, and with tenders to be issued in January 1987, work may begin in April.

Danida has been involved in the agricultural sector for quite some time, said Frötlund, as this was one of the main areas of government concern. Denmark has so far provided aid to the Dairy Marketing Board, the Grain Marketing Board and the Cold Storage Commission.

Danida is supporting extension work for regional veterinary laboratories and aiding the establishment of rural animal management and health centres, providing money for the Agricultural Finance Corporation's resettlement fund, and may soon help with smallholder irrigation.

The authority's other areas of major concern are water development and the improvement of the rural infrastructure.

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CSO: 3400/629

## BRIEFS

RECORD WHEAT CROP DELIVERED TO GMB--Contrary to recent rain-inspired expectations wheat farmers have already delivered a record crop to the Grain Marketing Board and are expected to deliver more over the next few weeks. However, the Zimbabwe Cereals Producers' Association is still waiting to hear what effect the shortage of combine harvesters and the consequent inability to complete reaping before the rains has had on the crop's overall quality. Alan Pilditch, of ZCPA, said the latest GMB intake figures showed that 221,685 tonnes of wheat had been delivered by mid-November. This surpassed the previous record of 217,000 tonnes. The final figure could be between 225,000 and 230,000 tonnes, he said. He attributed the crop size to a good season and to increased hectarage. While farmers had planted 42,000 ha in 1985 they had planted 43,000 this year. The crop had grown under suitably cool weather between May and September during which there was lower evaporation, which had allowed it to mature quicker. Less damage than last year had been done by quelea. [Text] [Harare THE FINANCIAL GAZETTE (Farming) in English 28 Nov 86 p 31] /9274

CSO, 3400/621

U.S. APPOINTMENT OF BLACK AMBASSADOR CALLED PROVOCATIVE

Pretoria DIE AFRIKANER in Afrikaans 8 Oct 86 p 3

[Text] The appointment of a black as ambassador to South Africa is a provocation of white public opinion in South Africa.

That is the view of the HNP [Hersigte Nasionale Party] MP for Sasolberg, Mr Louis Stofberg, on the appointment of Mr Howard Perkins as the U.S. ambassador in Pretoria. Mr Perkins, who is the American ambassador to Liberia, is the third black approached by the Reagan administration to fill the position of ambassador to South Africa.

Mr Stofberg said that the appointment of the American ambassador to Liberia as ambassador to South Africa is in itself a great insult. "Liberia is after all one of the most backward little countries in Africa."

The appointment of a black as ambassador to South Africa shows total contempt on the part of the Reagan administration for the opinion of the majority of whites, Mr Stofberg declares. "It is a provocation to white public opinion."

Mr Stofberg pointed out further that President Reagan apparently had a struggle to find a black to accept the post. It was thus clearly a political appointment and not a normal diplomatic appointment. The retiring ambassador, Mr Herman Nickel, had already acted as though he freely took part in politics. This behavior had caused immeasurable anger among whites. Everything indicates that this political role of American ambassadors will continue and will probably get worse with the appointment of a black.

"America is busy stirring up white feelings against it with its ambassadorial appointments," Mr Stofberg says.

The announcement of the appointment of Mr Perkins was made to coincide with a vote in the U.S. Senate on President Reagan's veto of sanctions against South Africa. The American President clearly showed that he was choosing this particular time for the announcement in an attempt to prevent the Senate from voting against him by a two-thirds majority.

In political circles it has long been apparent that President Reagan is seeking to make a purely political gesture with his appointment of an ambassador to South Africa. His purpose is clearly to score a point against the

proponents of comprehensive sanctions against South Africa. First a black businessman, Mr Robert Brown, was approached to accept the post in Pretoria, but that attempt was dropped after certain business affairs of Brown's came to light. The second choice was the American ambassador to Denmark, Mr Terence Todman, but he refused and asked that President Reagan first change his policy toward South Africa.

12906/12859

CSO: 3401/33

HEUNIS CHAIRS MEETING ON PROGRESS OF RSC'S

MB120505 Johannesburg SAPA in English 2044 GMT 11 Dec 86

[Text] Pretoria, 11 Dec, SAPA--The minister of constitutional development and planning, Mr Chris Heunis yesterday chaired a meeting to discuss the progress of the Regional Services Council [RSC], according to a statement from the minister in Pretoria today.

Present at the meeting in Cape Town were the administrators, or their nominees, of the Cape Province, Orange Free State [OFS] and Transvaal; the minister of finance and various ministers responsible for local government in the Minister Councils of the House of Delegates, the House of Representatives and the House of Assembly were also present.

The subjects to be discussed were the demarcation of regions; the establishment of RSC's for those regions; the identification of the local bodies which are to be members of the RSC's in question and the appointment of chairmen, as well as the identification of regional functions.

The administrators were the responsible functionaries in that regard, but the consent of all the ministers mentioned was necessary for the various steps, the minister said.

"All decisions needed for the implementation of the RSC in practically all the metropolitan areas in the republic were unanimously taken by all present and as a result, great progress has been made towards their implementation," Mr Heunis said.

The areas involved are:

The Cape Peninsula and surroundings, the Port Elizabeth/Uitenhage area, Walvis Bay, Bloemfontein and surroundings, the Witwatersrand and the Pretoria area. In Natal investigations were still being undertaken, Mr Heunis said.

The administrators of the Cape Province, OFS and Transvaal plan to issue press statements in this regard on January 7, 1987.

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CSO: 3400/609

NGK TIES TO REFORMED ECUMENICAL SYNOD DEFENDED

Cape Town DIE BURGER in Afrikaans 24 Oct 86 p 22

[Editorial: "The Dutch Reformed Church and the Reformed Ecumenical Synod"]

[Text] Within the NGK [Dutch Reformed Church] there have long been differences of opinion as to the importance of ecumenical connections with other churches and church groups.

For the proponents of such links it came as a disappointment when the General Executive Church Council provisionally suspended the Church's membership in the RES [Reformed Ecumenical Synod] after the 1984 session of the Synod in Chicago. At the Chicago session the RES ruled, among other things, that support for apartheid is heresy.

The decision of the General Executive Church Council was at that time also queried in these columns. "It is to be regretted when any body or quarter in South Africa is deprived of the opportunity for contact and communication with compeers overseas, whether from without or through its own volition. Numerous organizations that are hostile to the country have precisely this as their aim," was one observation.

It is therefore welcome news that attempts at the session of the General Synod in Cape Town this week to detach the NGK permanently from the RES did not succeed.

The frustration of the proponents of separation over the reproofs and even enmity that the Church so regularly has to endure in the ecumenical area is understandable. This while it costs the Church a substantial amount to remain a member of such an organization.

In this, however, they don't need to feel alone. For years now South Africa has stood in the dock at the UN with monotonous regularity. Nevertheless it remains a member and allows its voice to be heard loud and clear at every opportunity that presents itself. And not everyone continually turns a deaf ear to its voice.

Some of the decisions that have so far been adopted by the General Synod on matters such as apartheid, racism, open church doors and open membership put the NGK precisely in a position to speak with an even clearer voice from

foreign platforms. And these are not decisions imposed by foreign pressure, but decisions made out of conviction and based on scriptural grounds.

It may be hoped that they will also form a basis for closer relations with Dutch Reformed sister churches, for the good of everyone who seeks to spread the Christian message.

After this it is difficult to try to accuse the NGK of heresy.

12906/12859

CSO: 3401/33



REACTIONS TO NGK'S WITHDRAWAL OF SUPPORT FOR APARTHEID CITED

Cape Town DIE BURGER in Afrikaans 24 Oct 86 p 2

[Text] The decision of the NGK [Dutch Reformed Church] to recognize the justification of apartheid from the Bible as a mistake drew widely differing reactions from church and political leaders yesterday.

Chief Mangosuthu Buthelezi, chief minister of kwaZulu and leader of Inkatha, told DIE BURGER that he regards it as "epoch-making."

For him it is "evidence of the degree to which whites are ready for change," he said.

"It confirms what I have told many people overseas: That in my political career of 3 decades I have never before seen such readiness for change among whites as now.

"I believe, as a matter of fact, that the (white) political leaders have fallen behind their electorate."

The assessor of the NG Mission Church, Rev Sakkie Mentor, welcomed the decision as a "progressive step," while Dr Hannes Adonis of the NG Mission Church said "by calling apartheid a mistake, the NG Church narrowly escaped what the Mission Church calls a sin.

"When you say apartheid is a sin, you are talking theology."

Monseigneur Lawrence Henry, vicar-general of the Roman Catholic archbishopric of Cape Town, said: "It is an improvement over what was, but it should have happened long ago. Something is on the move."

Dr Nthato Motlana of Soweto told our correspondent in Johannesburg that he is not yet convinced that the NGK is prepared to go far enough.

Reconciliation

"Despite the decision, they still believe in separate schools, and therefore in separate living areas. They condemn racism, but are not really prepared to condemn apartheid."

He still hopes, however, that in the light of the decision "the path of reconstruction and reconciliation" can at long last be taken. "We should have been on that path years ago," he said.

Prof Ben Engelbrecht, a former minister and member of the NGK and now a professor of church history at the University of the Witwatersrand, said he can "only express his gladness about the matter."

"It is something that has been self-evident for years, but that could not find expression because of political interference," he said. "As a former minister and member of the NGK, I still feel myself heart and soul part of the Church, and I cannot be other than glad."

Mr Jaap Marais, leader of the HNP [Herstigte Nasionale Party], said yesterday in Pretoria that the Church's decision was clearly a theological prop for government policy.

"The synod session is clearly operating in the atmosphere of government politics. A decision on apartheid will be regarded, and is surely intended to be regarded, as a theological prop for the government's rejection of apartheid."

"Like the government, the Church will probably now take movement away from discrimination as the starting point in countering the policy of apartheid. This means that all boundaries between white and non-white in the NGK will gradually be eliminated, and obviously it will lead to mixed church services and Sunday schools."

The leader of the PFP [Progressive Federal Party], Mr Colin Eglin, said that the resolution should have far-reaching effects on white politics inasmuch as it was made by what is probably the most important Afrikaans institution in the country.

"While differing interpretations of the word apartheid will probably now be given in the context of the motion, the rejection of apartheid by the NG Church is nonetheless a very important event."

The leader of the Conservative Party, Dr Andries Treurnicht, will discuss the matter tonight in Durban at a public meeting in the City Hall.

#### This Proviso Has a Long History

There is an interesting history behind the reason why the General Synod of the NGK needs a two-thirds majority to break or establish ecumenical ties.

It involves the political and religious climate after the Cottosloe Church Conference in 1961. With the unification of the four NGK's in 1962--now the NGK in South Africa (Cape Province), the NGK in the Transvaal, the NGK in Natal and the NGK in the Free State--the great fear of the Free State Synod was the question of ecumenical ties.

The NGK in the Cape Province and the NGK in the Transvaal had then only just broken their ties with the World Council of Churches, as stipulated by the Cottesloe Church Conference.

Dr Koot Vorster

To allay the fears of the Free State Church and to block the united NG Church from ever joining the World Council of Churches again, it was written into the Church rules that official relations with ecumenical bodies must be decided by a two-thirds majority of the General Synod.

In his capacity as actuary of the General Synod, the well-known Dr Koot Vorster, brother of Prime Minister John Vorster, helped frame this Church rules proviso.

On Wednesday, as it did 4 years ago at the General Synod of 1982, this proviso ironically tripped up its framers: it prevented ecumenical ties from being broken.

In 1982 the Synod decided by majority vote to resign from the World Union of Reformed Churches, but it was not a two-thirds majority. On Wednesday the Synod again decided by a majority to withdraw from the RES [Reformed Ecumenical Synod], but again it was not with a two-thirds majority.

A recommendation of the Rights Commission that this provision for a two-thirds majority remain unchanged was accepted by the Synod on Wednesday evening.

12906/12859

CSO: 3401/33

STRICTER MEASURES FOR HELPING BLACK EDUCATION CONDONED

Bloemfontein DIE VOLKSBLAD in Afrikaans 22 Oct 86 p 15

[Article by political reporter Andre Brink: "No Normalcy in Abnormal Conditions"]

[Text] Black education will not return to normal as long as living conditions in the black townships are not normal. Socio-economic conditions, housing, political expectations and the unrest in townships all have a direct influence on school attendance, Mr Sam de Beer, deputy minister of development aid and education, says. In an interview with DIE VOLKSBLAD, Mr De Beer said some black children cannot be expected to go to school as if nothing had happened, while severe problems are being experienced in the townships.

Cause

However, it is wrong to say, as many people want to claim, that the unrest in the schools is the cause of the riots in the townships. This is proved, among other things, by the findings of Professor Tjaart van der Walt, rector of Potchefstroom University, that education was not the basic cause of the riots in the Vaal Triangle, but that other factors played a role there. It must therefore be accepted that the broad political situation in the country has an influence on school attendance. Mr De Beer says although problems are still being experienced, the attendance at black schools in some townships has greatly improved since strict security measures were introduced in July and the state of emergency was proclaimed. The measures -- which, among other things, stipulated that only children who had registered may attend school and which also made provision for the possible carrying of identification cards by students -- evoked sharp reaction at the time. But Mr De Beer says it's an irrefutable fact that no educational department in the world can function efficiently without discipline.

"It has become clear to us that we will have to have a greater measure of discipline in our schools. We could just no longer allow children to show up late at school without books and then take off early again. Such things disrupt any educational department. The reaction that we have gotten from large portions of the country about the stricter measures is absolutely positive. I think the fact that education is now going on with reasonable normalcy in so many townships where it had been disrupted is an indication

that the black community welcomes the greater measure of discipline and stability in black townships."

Mr De Beer pointed out that the department's activities are spread over seven regions: the Highveld (Eastern Rand and certain parts of the Eastern Transvaal); Johannesburg (actually Alexandra and Soweto); the Cape; Natal and the Far Eastern Transvaal (e.g. Ermelo); the Northern Transvaal (areas such as Pretoria, Potchefstroom, Krugersdorp and further north); the Orange-Vaal region (Vaal Triangle and Sasolburg); and the Free State region. Most of the problems occur in three of the regions: Johannesburg, the Cape -- actually just the Eastern Cape -- and certain spots on the Eastern Rand. They are at the same time the areas where most of the schools have been closed and quite a lot of cases of unrest occur, as is evident from the reports of the Bureau for Information. "We have problems in the Johannesburg region, but the impression being aroused that there is no school attendance in the region, and then extending this and saying that nothing is going on in black schools nationwide, is just not true."

There is great discontent about the closing of a number of black schools. Mr De Beer points out that only 33 black schools out of a total of more than 7,300 are closed -- 10 of the 61 high schools in Soweto, 10 high schools and 10 grade schools in the Eastern Cape, two schools on the Eastern Rand and only one in Natal. Children who were in schools which are now closed can attend other schools. "Our position is that we want to provide education to all the children insofar as possible. If a black child wants to go to school, we will accommodate him," Mr De Beer says. In the areas where schools have been closed, attendance at some schools is also hampered by such things as the so-called day of mourning for the workers who died at the Kinross mine. Attendance thus varies from day to day. "However, the tale that education has come to a standstill is absolutely untrue. On the other hand, I am concerned about every child who does not receive an education. They should all get the opportunity to prepare themselves for the future." Mr De Beer says the closing of schools is not -- as many people would claim -- a negative instrument which was used out of vindictiveness toward the children. Schools were closed because no children reported at certain of these schools and because there was continual disruption over a long period at other schools, and it became clear that the children of those schools did not want to make use of the opportunity to go to school.

#### Manpower

"We thus had valuable schools and trained manpower which were not used in the best manner, and we therefore say it was in the interest of the students that these sources should be used for those children who are at school. Our teacher-child ratio of one to 38 is not exactly ideal, and it therefore goes without saying that if a teacher sits around idly while he may be used effectively elsewhere at another school, this is a positive step [sic]. The closing of the schools thus sprang from positive considerations -- to fulfill our goal of better education for all our children." The services of certain temporary teachers was ended because of the closing of schools, but teachers on the permanent staff who cannot be used elsewhere are now being given on-the-job training courses to enhance their very usefulness. Mr De Beer says it

is deplorable that radical groups in the country are trying to realize their political ideals through the educational situation. "I think it is deplorable that people of the ANC, UDF and of other radical groups -- who basically obtained their education by means of this same system -- are depriving or want to deprive the present generation of that opportunity. School children are being used as foot soldiers, and I think that is objectionable. It has become time for the moderate blacks to raise their voices about this. I could get lyrical about the heart-stirring stories in letters from children and parents who plead for them or their children just to be granted or offered the opportunity to be able to continue their education. These parents are sacrificing a terrible lot to make it possible for their children to go to school. Much of their work from early morning till late evening and all these sacrifices are being destroyed by a small group of radicals who do not think responsibly about the possibility that we may lose a whole generation by their conduct. I do not doubt that our people will increasingly realize the value of education. I think they are getting tired of their children's future being destroyed for the sake of the whims of a small group of radicals. I think they are starting to realize more and more -- and this is clear to me from my talks with them -- that the slogan of "Liberation first, then Education" quite simply does not hold water. I have confidence in the people of South Africa. Dr Gerrit Viljoen, minister of development aid and education, has on occasion said the blacks are one of the greatest assets in our country. I am convinced that most blacks are moderates and that some time or other they are going to realize that they are severely harming their own cause. I therefore have no doubt that things will go along better in the future."

#### Awareness

"I also think there is a greater awareness among many blacks that the government means it honestly when it says that it is creating equal educational opportunities for them." Concerning the so-called "people's education," Mr De Beer says his department does not have any proof that it is in fact being given in black schools. That would also be contrary to all the department's rules and regulations, but the department has no control over the movements of school children after school hours. He also says that intimidation and instigation are among his department's biggest problems. Intimidation is at the root of the evil in the areas where schools have been disrupted, and he has a lot of proof that teachers, principals and children are being intimidated. Concerning his and his department's task in the future, Mr De Beer says the biggest task is to offer the best available education to black children.

13084

CSO: 3401/36

OIL PRICES NOT EXPECTED TO RISE ANY MORE THIS YEAR

Bloemfontein, DIE VOLKSBLAD in Afrikaans 22 Oct 86 p 4

[Article by Johan van Tonder: "Petrol, Diesel Not Rising Quickly By End of This year"]

[Text] The price of diesel and petrol is not going to change this year, Mr Danie Steyn, minister of mineral and energy affairs, says. He opened the annual congress of the South African Agricultural Union in Bloemfontein, and said the chances are good that prices can be maintained till the end of the year. Mr Steyn said the subcompensation on the sales of petrol is now about two cents per liter, based on an exchange rate of 43 American cents to the rand.

Exchange Rate

The subcompensation also includes the five cent per liter which is now being used to hoard oil and which can be used to avert price increases. If the exchange rate of the rand and the crude oil price remain at their present levels, the chances are good that the prices can be maintained until the end of the year. The price situation will be reconsidered after the program of hoarding has been completed.

He does not intend to lower the price of diesel, but to use the supercompensation to buy more crude oil for storage. If the international prices of diesel [oil] rise due to greater European demand, the supercompensation can be used to avoid price increases.

As the minister responsible, he wants to assure farmers that agricultural ground which is damaged by mine building activities will be restored insofar as practically possible and within reasonably economical time for future beneficial use by agriculture. If in the future a gold mine should come into being, the mine will be responsible for doing all the surveying and drawing up the maps of the owner's reserves to the satisfaction of the property owner. It is of the utmost importance to South Africa for its border areas to be occupied economically and be as stable as possible. The furnishing of Escom power is regarded as one of the most important factors which can contribute to this.

Made up

Escom is doing all in its power to help consumers with power as quickly as possible, but that handicap will not be able to be made up until some two years. Inquiry is being made about the possibility of Escom taking over farm projects operated by local authorities outside their jurisdictions.

AGRICULTURAL CRISIS FORCING FARMERS TO FACE CHANGE

Bloemfontein VOLKSBLAD in Afrikaans 24 Oct 86 p 14

[Editorial: "Crisis in Agriculture"]

[Text] Agriculture plays an enormous role in the infrastructure of any country. It is an anchor for stability, a barometer for socio-economic stability, and in South Africa also a very important employer, provider of housing and education. In every town and city in South Africa there are people who were born on farms, grew up there and whose families still farm. That is why there is great commiseration nationwide for the Republic's farming community and also a profound realization that if things are going badly for agriculture, they are not going well for the rest of the national economy either. Sectors of agriculture such as the corn industry are now experiencing an hour of crisis. Factors which have contributed to that are inflation, interest rates, droughts, and now boycotts and disinvestment are also yet coming at a gallop over the hill. Many farmers have already been forced from their farms, and more will follow.

Whenever cries of help resound from the one agricultural congress to the other, one gets the impression more deeply every time that that giant industry is losing more and more momentum: farmers' money and means are gone and without the necessary resources they cannot stoke the kettle to build up enough steam to keep the giant going. One plus point is that all those miseries have made South Africa's farmers ripe for structural changes in agriculture. They accept it as an accomplished fact that they cannot just produce as they want and that's that. But they do not have the money to escape from this dark pit and expect strong support from the state to lift them out of it. However, agriculture is not the only sector seeking urgent state aid, and the country's economy is too weak to bear all the burdens or to pump enormous amounts of money into agriculture only, for example. It will and must help, but within its own limitations.

13084

CSO: 3401/36



USE OF NUCLEAR TECHNOLOGY IN AGRICULTURE FORESEEN

Cape Town DIE BURGER in Afrikaans 7 Nov 86 p 5

[Article by agriculture editorial staff: "Nuclear Techniques Important for Fruit Industry"]

[Text] Nuclear radiation techniques may in the future make a substantial contribution to improving production practices in the fruit industry and prolonging the shelf life of fruits. That is what Dr Wynand de Villiers, chairman of the Atomic Energy Corporation, said yesterday at the annual Bien Donne farmers' day near Paarl. Dr De Villiers talked about the utilization of isotopes and radiation in agriculture and said research shows potential in that connection, but that in South Africa it is little put into practice. He said the most effective nuclear power technique in agriculture is the radiation sterilization of subtropical and soft fruits. South Africa has made a considerable contribution with respect to research in that connection, and the technique is applied successfully today to prolong the shelf life of various products. According to Dr De Villiers, "marking" phosphate fertilization with radioactivity and monitoring it with a sensor can also determine precisely how plants receive fertilization and how much is used.

Sterilization

Nuclear analysis techniques can also be used to measure the effect of natural or synthetic hormones; for example, growth regulators. Dr De Villiers said there are also great possibilities for combatting insect plagues with nuclear radiation. The method of so-called "male sterilization" in insects can eradicate a whole insect population, and has already been used with great success in overseas countries.

Grapes

According to Dr De Villiers, nuclear techniques can also be used to make basic studies and create mutations of kinds of fruits. Mr Ian Burger, under chairman of the Soft Fruits Board, said at the farmers' day that the fruit industry is full of confidence that the prejudices against the new nuclear science in agriculture will be resolved. The fruit industry will derive much benefit if, for example, the storage life of stone fruits and grapes could be prolonged by a week or so.

Professor Attie de Vries of the Management School of the University of Stellenbosch said the South African economy is on the point of a moderate upswing. He warned farmers, however, that current base prices in agriculture are unrealistic and that this is one of the reasons why their margins of profit will remain under pressure.

13084

CSO: 3401/36

## SOUTH AFRICA

### BRIEFS

U.S. CRITICIZED AT AIR FORCE SCHOOL—The Surgeon-General of the South African Defence Force, Lieutenant-General Nicolaas Nieuwoudt, yesterday criticised the United States for linking the dismantling of apartheid to the unbanning of the African National Congress. He was addressing a passing out parade at the South African Air Force Central Flying School at Dunnottar at which 24 student pilots were awarded their wings. Three navigators and 12 flight engineers were awarded their insignia. In his address Gen Nieuwoudt called on moderate South Africans who supported free enterprise and who were against Socialism and Communism to unite, and urged them to do what they believed to be right, irrespective of external pressures. [Excerpt] [Johannesburg THE CITIZEN in English 5 Dec 86 p 8] /9274

CP-HNP TALKS BREAK DOWN--Latest talks between the Conservative Party and the Herstigte Nasionale Party [Reformed National Party] on unification have broken down. The HNP says in a statement issued in Pretoria that the basic conditions for amalgamation of the two parties are still lacking. It says they will only be created by cooperation and growing together. The talks on amalgamation were attended yesterday evening by the leader of the HNP, Mr Jaap Marias and chairman of the Conservative Party, De (Freddie Hudsonberg). [Text] [Johannesburg Domestic Service in English 1600 GMT 10 Dec 86 MB] /7358

CSO: 3400/609

SOWETO COUNCIL CONTINUES EVICTIONS, POWER SHUTOFFS

MB130743 Johannesburg SOWETAN in English 12 Dec 86 p 2

[Article by Langa Skosana]

[Text] The Soweto Council has evicted four residents in Jabulani township for failure to pay rent and is cutting the electricity supply to many homes where tenants are in arrears with their payments.

This was confirmed yesterday by the council's town clerk, Mr Nico Malan.

He said his council cut power from many homes in Dlamini and Senaoane Townships last month and only restored it after residents had paid up.

Because of these cuts and the inconvenience they caused, some residents have come to realise that they could not continue using a service they were not paying for, said Mr Malan.

He warned that if the Rand Water Board, which sells water to Soweto, decided to withhold supplying the area, residents would experience similar cuts.

Comparing rent payment and electricity and water tariff payments, Mr Malan said most people were paying their water and electricity bills, and the rent turnover for November was 50 percent better than the previous month.

The continuing rent boycott, he said, had forced the council to evict four people in Jabulani township and serve 93 summonses on others who were not paying up.

He said 17 Jabulani residents decided to oppose the council's summonses in court and their cases were pending.

The four families that were evicted, he said were in arrears with amounts ranging between R300 and R500 and the council had acted responsibly in ejecting them.

Before the council evicts anyone, he said, it took into account a person's personal circumstances and the threats and intimidations from people enforcing the rent boycott.

"We can't ignore threats or intimidation because we realise that a lot of people are prepared to pay," he said.

## SOUTH AFRICA

### BRIEFS

ANC URGES PRESS TO IGNORE CENSORSHIP--The ANC has urged the mass media in South Africa to ignore the regime's press censorship, which now requires the press to submit stories for mainly sensitive issues to senior officials for clearance. A spokesman for the nationalist organization said in Lusaka that the press in South Africa should ignore the censorship and continue its task of keeping the public informed about the reality of the situation inside South Africa. He said the news blackout would not stop the ANC and urged all the democratic movements in South Africa (?take) all necessary measures to withstand the enemy. [Text] [Lusaka Domestic Service in English 1800 GMT 12 Dec 86 MB] /7358

2 MILLION APPLY FOR ID--Pretoria, 9 Dec, SAPA--A total of 2,152,965 applications for the new uniform identity document had been received from black people by 5 December, since the campaign started at the beginning of May, a spokesman for the Department of Home Affairs said in Pretoria today. During the week 1 December to 5 December, applications had been received at a rate of 22,082 per day. [Text] [Johannesburg SAPA in English 1113 GMT 9 Dec 86 MB] /7358

BUTHELEZI WARNS AGAINST REVOLUTION--The chief minister of the South African national state of KwaZulu Chief Mangosuthu Buthelezi, says revolution in South Africa's circumstances will destroy all prospects of democracy in the country. Speaking at a meeting near Johannesburg, Chief Buthelezi said nothing posed a greater threat to democracy than masses of starving people for whom the government of the day could provide no relief. He said South Africa's population was increasing at a rapid rate, and a South Africa whose economy had been destroyed would not be able to provide the necessities of life. Chief Buthelezi said even if industrial growth was maximized now, it would be a long time before there was final victory over poverty, ignorance, and disease. The chief minister said revolution would not shorten the time for that victory to take place, but could only prolong it. [Text] [Johannesburg International Service in English 0630 GMT 2 Dec 86 MB] /7358

CSO: 3400/601

# PRIVATE SECTOR COUNCIL'S NEW STRATEGY FOR URBANIZATION EVALUATED

## PSC Urges Government To Take Action

Johannesburg THE STAR in English 3 Dec 86 p 11

[Article by Colleen Ryan]

[Text]

The Private Sector Council (PSC) has called on the Government to take swift action to resolve serious problems that stand in the way of a new urbanisation strategy for South Africa.

In a statement, the PSC said the scrapping of the pass laws was the first critical step in a new urbanisation plan, but other problems had to be tackled urgently.

Important issues still to be resolved include forced removals, the need for restoration of citizenship to all blacks, the crisis in local government and the need for a new rural development policy.

● The PSC said forced removals and the demolition of shack settlements should be halted.

### ALTERNATIVE

"The Government should issue a firm policy statement coupled with instructions to the second and third tiers of government and all relevant officials, that no structures located on publicly-owned land are to be demolished unless, and until, there is affordable, suitably located alternative accommodation acceptable to the people concerned."

The PSC said the emphasis

of Government policy should be on facilitating the provision of well-situated urban land in order to prevent illegal occupation.

Laws preventing slum development should not be applied unless alternative accommodation was available.

Forced removals should be stopped.

● Restoration of South African citizenship — it was essential that an urgent and clear settlement be achieved with the authorities of the Transkei-Bophuthatswana-Venda-Ciskei states to restore South African citizenship to all citizens.

The PSC warned that if this issue was not resolved soon it would cause "confusion and bitterness ... and could cause ethnic tension and conflict".

"The Government should, as a matter of urgency, announce that all citizens of territories formerly part of the South Africa will also be citizens of South Africa.

### RENOUNCE

"This is unless they formally renounced South African citizenship."

● The crisis in local govern-

ment — the quality of urban management and government in South Africa's urban areas would be of critical importance in a future, urbanised society.

"The present institutions of local government affecting black people lack community legitimacy and economic viability.

"What is required is a recognition of these realities and a determined effort to engage in local-level negotiations to devise constructive solutions and community-backed institutions of local government.

"The research evidence from regions all over the country ... suggests that the leaders of all local community-based black organisations may be willing to negotiate on local issues, frequently in defiance of the uncompromising stance of the national organisations to which they are affiliated."

● Rural development — an urgent inquiry should be launched into the legislative changes needed to free the rural market of all discrimination, it said.

"The Land Acts of 1913 and 1936 contain racially-discriminatory provisions which inhibit rural development and economic growth.

"Rural development is a national priority and it is not yet afforded that status in national economic and development priorities," the PSC added.

Johannesburg BUSINESS DAY in English 3 Dec 86 p 4

[Article by Linda Ensor]

[Text]

**I**F 1986 was a year of planning and preparation for the Private Sector Council on Urbanisation (PSC), it is expected that 1987 will be one of pressure, behind-the-scenes negotiation and — hopefully — implementation of its urbanisation strategy.

The PSC and its four working groups have engaged in intensive preparatory work throughout the year to place the private sector in a position to achieve a major new reform thrust next year.

Representatives of the FCI, Asocom, AHL, Nafcoc, Seifsa and the Chamber of Mines, as well as prominent businessmen and industrialists, are involved in the initiative.

The PSC's foray into what some may regard as the exclusive terrain of politicians is motivated by a belief that the private sector has a fundamental economic interest in the way the urbanisation process is managed.

In the next few decades, the PSC believes, an average of 250 000 new workers will enter the labour market each year, and to provide them with sufficient employment opportunities, an average annual growth rate of about 5% in GDP will be required. The vast majority of new jobs would have to be created in the low-cost urban areas.

In the PSC's view, businessmen have a vital interest in the way cities are established and run.

**T**he productivity of industry, services and commerce located in the cities will be heavily influenced by both the efficiency and equity with which urban infrastructure and opportunities are planned, financed, built and maintained," states a PSC report released recently.

The PSC was established last year to work out an urbanisation

strategy. Four working groups involving 170 people (118 of them actively) were set up to discuss rural development; housing and urban development; employment and regional development; and urban management and government, with the aim of formulating alternative policies.

Chairmen leading the groups are Len Abrahamse, chairman of Syfrets, Reinholt Hofmeyr, a retired Barlow Rand personnel director, Ian Sims, chairman of British Petroleum, and Sam van Coller, executive director of Seifsa.

"We aim to produce proposals that have the support of the private sector and endorsement from significant sectors of black opinion so that, even if we don't go as far as they might want, there is agreement that our proposals really are leading in the right direction and removing key obstacles to a non-discriminatory society," says the report.

The PSC aims to give punch to its proposals by building a broad-based reform alliance consisting of business leaders, organised commerce and industry, members of the black community and academics.

It believes that, if successful in this effort, it "has the potential to form the broadest-based, most influential reform alliance in the country".

However, a new approach to urbanisation will only be successful if underpinned by an effective programme of political and economic reconstruction. Two pre-conditions, the PSC stresses, are essential.

"First, legitimate institutions — particularly at local government level — need to be created to be the key institutional actors facilitating the delivery of socio-economic products, especially to black communities.

"Second, business confidence (national and international) must

improve in order to revive the economy by increasing investment and creating new jobs."

**I**n turn, these preconditions rely on the implementation of a political programme which will restore confidence among businessmen and blacks in the future of the country.

While government has introduced significant reforms, the PSC emphasises the need for it to go further. The Abolition of Influx Control Act, which came into effect from July 1 this year, lifted all legal controls over the movement of SA citizens; but policy changes on three further issues are necessary before this measure can have positive effects on economic growth and political stability.

These, says the PSC, are the restoration of citizenship to residents of TBVC countries and an end to the demolition of squatter settlements and the removal of settled communities.

**A**bout five-million residents of the TBVC states lost their SA citizenship in terms of the Restoration of SA Citizenship Act and were thereby excluded from the benefits of the abolition of influx control, as their movements became subject to control in terms of the Aliens Act.

The PSC urges government to publicly offer automatic dual citizenship to all the residents of the TBVC countries and, if further negotiations are required, it should as an interim measure exempt them from the provisions of the Aliens Act.

Also, no squatter dwellings located on publicly-owned land should be demolished unless and until there is affordable, suitably-

located, alternative accommodation acceptable to the people concerned, the PSC states. To prevent illegal squatting, government should allocate and service large tracts of well-situated urban land.

The PSC's interim proposals were compiled from its on-going investigations into black local government, rural development, the policy of deconcentration and decentralisation, restrictions on black business and residential segregation.

The present system of black local government is in a state of crisis. "The present institutions of local government affecting black people lack community legitimacy and economic viability and will be unable to deliver."

Yet the PSC stresses: "The quality of urban management and government in SA's urban areas will be a critical determinant in the society's capacity to meet the challenges — economic, social, administrative and constitutional — of a rapidly-growing urbanising population."

Government should make a determined effort to engage in negotiations with black communities and white local authorities to devise community-backed institutions. Negotiations should be open and not constrained by existing local structures and policies, the PSC suggests.

**T**hese negotiations will, however, be inhibited if leaders continue to be detained. "The research evidence from regions all over the country, in particular the Eastern Cape and the PWV, suggests that the leaders of all local, community-based black organisations may be willing to negotiate on local issues, frequently in defiance of the uncompromising public stance of the national organisations to which

they are affiliated," the PSC report says.

A cost-benefit analysis of the decentralisation/deconcentration policy is strongly recommended as well as an overhaul of enforced racial segregation.

"The demands of urban growth are so great that the urban areas and large cities must expand in the most cost-effective manner possible. The present policy of racial zoning of land, settlement and occupation in urban areas will limit the amount of suitably-located land available for low income settlement and result in such settlement occurring in segregated, separate new dormitory areas far from work opportunities."

**A**lso, the regulations and institutional constraints inhibiting the entry of black businessmen into the economy — especially the formal sector — must be thrown out as a matter of urgency.

Although it has not been recognised as such in national economic strategies, rural development is a priority in the PSC's view and it recommends an urgent enquiry be launched into legislative changes needed to free the rural market for land, labour and capital of all racially discriminatory restrictions. At present, land in rural areas is racially allocated in terms of the Land Acts of 1913 and 1936.

It is in the light of these recommendations that the PSC believes it to be urgently necessary for private sector leaders to enter into policy discussions with government at the most senior level.

"If such a process can provide mutually open access of political and private sector leaders to one another on policy issues of importance, the level of economic confidence in our society will be greatly enhanced."



# REPORTER VIEWS WORSENING LABOR SITUATION IN PAST YEAR

Johannesburg THE STAR in English 2 Dec 86 p 10

[Article by Sheryl Raine]

[Text]

It has been a tumultuous year for industrial relations in South Africa, with two states of emergency, persistent inflation, sanctions, the biggest stayaways yet recorded and major shifts in trade union alliances.

And the year isn't over yet.

Unfinished business abounds. The wage dispute between the National Union of Mineworkers (NUM) and Gold Fields SA is far from over, and strike clouds are gathering on a stormy horizon.

Labourites should have known the year would produce a bumpy ride for both unions and management when on January 1 the biggest labour clean-out in the country's history took place.

About 20 000 black mineworkers were fired by Gencor's Impala Platinum mine in Bophuthatswana for taking part in an illegal strike. Many were later re-employed, but it started what was to be a tough year for Gencor in the field of labour relations.

An ever-present factor in wage negotiations was the recession. Accurate unemployment figures are still a rarity but at the top end of the estimates was a figure of 6 million jobless (including homelands) produced by Professor Jeremy Keenan of the Sociology Department of the University of the Witwatersrand.

If any one sector stood out as a "war zone", it was mining.

No other industry was as fraught with tension. Analysts pinpointed as reasons spillovers of violence and

grievances from broader black communities; delays in scrapping job reservation; years of frustration on the part of migrant workers; increased unionisation; and the devastating impact of the states of emergency.

## Fights and murders

Events included strikes, fights and murders.

But it was not all bad news. In many cases, sound labour relations prevailed. Many issues were negotiated peacefully and successfully even though these triumphs did not make headlines.

In January hundreds of black miners were fired from Randfontein Estates gold mine after a bloody clash between workers and police left 10 dead, including two white policemen.

Racial tension escalated on the mines this year; white resentment at having to do "black" jobs during wildcat strikes was just one flashpoint.

In March, white miners in Witbank vowed to arm themselves for protection. After a white miner was allegedly found carrying a gun at Wolwekrans colliery, 900 black NUM members went on strike for two days.

Job reservation is still on the statute book, preserving 13 job categories for whites.

It was a year in which sit-in and sleep-in strikes became popular and caused employers to go scurrying to the Supreme Court for interdicts.

No sit-in was as extraordinary as the one at Blyvooruitzicht gold mine where 1 200 black mineworkers went without food for 36 hours underground.

The single biggest tragedy in the industry was the fire which claimed 177 lives at Kinross gold mine in the eastern Transvaal. Attacks were launched by NUM on the industry's safety record. International attention was focussed on the fact that about 800 people die each year in South African mines. The industry strongly defended its safety standards.

NUM declared October 1 a day of mourning for the Kinross victims, sparking the biggest mine stayaway recorded, with the independent Labour Monitoring Group (LMG) estimating between 250 000 and 270 000 miners absent from work. In all industrial sectors, 600 000 workers observed the day in various ways.

Although there was no general wage strike, the industry suffered considerable disruption. The Chamber revealed that by September 11 there had been 109 unlawful stoppages on its gold and coal mines.

Turning to macro issues, it was also the first year of the Congress of SA Trade Unions (Cosatu). In keeping with its "one industry, one union" motto the growing infant, with a claimed 600 000 members, pulled off two major mergers. The Food and Allied Workers Union was born from combining the Sweet, Food and Allied Workers Union and Food and Canning Workers Union, while the Transport and General Workers Union incorporated the General Workers Union.

## **Tough and violent**

The second important shift in union alliances concerned the merging of the Council of Unions (Cusa) and the Azanian Confederation of Trade Unions (Azactu) on October 6. Cusa/Azactu, which has black consciousness leanings, claimed membership over 300 000.

Another important event was the launch of the Inkatha-sponsored United Workers Union (Uwusa) on May 1. Since then, tough and at times violent competition has ensued between Cosatu and Uwusa for membership.

The death of the Trade Union Council, once a central pillar in the local labour scenario, left 32 affiliates with 170 000 members homeless.

Initiatives got under way, however, for the formation of a loosely-structured Labour Forum. Whether unions backing the idea will put their money where it's needed to make the forum a reality, remains to be seen.

It was an absorbing year in the Industrial Court.

BTR Sarmcol vs the Metal and Allied Workers Union (Mawu), the longest labour dispute to date in South Africa, is still before the court following the dismissal in Howick, Natal, of 1 000 workers in April 1985.

Gencor lost its appeal in the landmark Marievale case to NUM and had to reinstate about 500 mineworkers, fired during a legal wage strike last year.

1986 will go down in history as the year of the stayaway.

The biggest May Day (May 1) celebrations came sandwiched between two states of emergency and at a time of great tension. The LMG found at least 1.5 million workers took part in what became a *de facto* public holiday. Mass rallies were organised all over the country. In Soweto, Mrs Winnie Mandela shared a platform with Cosatu president Mr Elijah Barayi.

In Durban, Chief Mangosuthu Buthezi launched Uwusa in front of a massive crowd at the Kings Park Stadium.

Before June 16 came around, the second state of emergency was in force.

Nevertheless the June 16 stayaway was as big as that of May 1.

With few exceptions, employers responded to these stayaways with a "no work, no pay" policy and asked the Federated Chamber of Industries and other bodies to call for a Government investigation into public holidays.

## **The public holiday issue**

No inquiry has been set up. It looks as though business will once again have to deal piecemeal with the public holiday issue.

The major trauma of the labour year was the second state of emergency which thrust broad security issues and community concerns onto union agendas.

In the first three weeks of the emergency 923 union leaders and members were detained. That number subsequently rose to thousands. Although many have been released some, like Mawu's national secretary Mr Moses Mayekiso, will probably spend Christmas behind bars.

Union activities, wages talks and report-back meetings remain seriously hampered by emergency regulations.

Strikes and stoppages over emergency detentions erupted in several areas. Most deeply affected was the retail industry which, in the first two weeks after the emergency was declared, suffered more than 60 strikes co-ordinated by the Commercial Catering and Allied Workers Union (Ccawusa).

In July, 10 000 miners staged go-slows and strikes in protest against emergency detentions and on July 14 Cosatu staged a national day of action.

The state of emergency strengthened the resolve of trade unionists in favour of pressure, including sanctions, on South Africa to dismantle apartheid. What backlash will be experienced by these unionists when their members start to lose jobs, remains to be seen.

The disinvestment debate was spiced with trouble when General Motors SA faced a three-week strike over selling out to local owners. Workers demanding severance pay, pension fund guarantees and a voice on the new board of the company, will have their day in the industrial court on December 3.

New areas of labour organisation included local black council workers, black civil servants and domestic workers.

The Government, in retaliation against alleged terrorist infiltration and attacks from Mozambique, decided to expel all Mozambican contract workers — 30 000 in agriculture, more than 66 000 on the mines and 170 000 illegals.

For these people, next year will not be a happy one.

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CSO: 3400/626

# COSATU'S FIRST ANNIVERSARY NOTED

Johannesburg THE STAR in English 1 Dec 86 p 13

[Article by Mike Siluma]

[Text]

The Congress of SA Trade Unions (Cosatu) has had an enormous impact on politics and labour relations.

Since its inception on December 1 1985 the federation, now claiming 650 000 members, made clear it would oppose the Government's race policies and fight for members' rights on the shop floor.

It committed itself to a united, democratic South Africa, free of oppression and economic exploitation and set these as its main tasks:

- Organising effective national unions and unifying them into a national federation.
- Uniting members into a strong, confident working class.
- Encouraging democratic worker organisation and leadership in all spheres of society. Cosatu's success or failure should be measured against these objectives.

On the factory floor, it has been involved in a protracted, if erratic, union formation programme. This paid off with the formation in May of the 60 000-strong Food and Allied Work

ers' Union through a merger including the Sweet, Food and Allied Workers' and the Food and Canning Workers.

The 26 000-strong Transport and General Workers' Union emerged from the amalgamation of the old TGWU and the General Workers' Union.

The Cosatu affiliated-SA Domestic Workers' Association was instrumental with sister domestic worker bodies in establishing the giant national union for domestic workers, formed in Cape Town at the weekend.

Cosatu assistant general secretary Mr Sidney Mafumadi said the federation was satisfied with progress in its merger efforts. While admitting the objective of industrial unions for all 12 sectors identified at the Durban launch had not yet been met, the process of forming one union per industry "has been set in motion".

There are moves to establish industrial unions for construction and farm workers.

Together with affiliates including the National Union of Mineworkers (NUM), Cosatu this year put occupational safe-

ty high on the industrial relations agenda.

An estimated 600 000 workers took part in nationwide industrial action on October 1 to protest at the deaths of 177 mineworkers at Kinross.

On the political front, Cosatu co-operates with groups such as the National Education Crisis Committee and the United Democratic Front in opposing the Government.

Mr Mafumadi said this relationship had benefited the federation, the community and the political organisations involved.

The successful May 1 and June 16 campaigns, planned jointly by the federation and community organisations, bore testimony to this, he said.

However Cosatu's political role, which it sees as imperative in the light of the disenfranchisement of most of its members, attracted the hostile attention of the State. The organisation was one of the chief targets when the state of emergency was declared with Cosatu accounting for up to 80 percent of unionists held under the emergency.

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CSO: 3400/626

# FUTURE OF JOHANNESBURG AS POST-INDUSTRIAL CITY NOTED

Johannesburg BUSINESS DAY in English 1 Dec 86 p 4

[Commentary by Hans Hallen]

[Text]

**W**HAT IS the future of Johannesburg? And is it to be a post-industrial city? If it is to develop towards such a future it is clear that it needs to achieve, in the words of Professor Nattrass: "Freedom from the oppression of poverty, from drudgery, from ignorance and from domination by others."

Freedom from poverty must mean the sharing of wealth.

Much is made these days of equalising incomes and the position and status of individuals. We need to remember that equalisation of wealth is the major aim, and this needs to be done by methods that do not greatly inhibit the general increase in wealth, and that are not too painfully confiscatory.

Wealth lies in education, in freedom of choice, location and access to opportunity and tangibly in the terms of ownership, rights and titles to land and property.

**A** salary of R2 000 a month earned by two individuals who must live, one an hour away from work, the other 10 minutes away, does not yield an equality of savings and hence of wealth.

It is not enough to say, as we do with abandon, that the ownership of a house is the basis of the free enterprise system. The freedom not to own a house and to own instead a knitting machine or an electric guitar performed for pro-

fit is a more important freedom.

Freedom from drudgery is the direction in which industrial society has moved us and the next leap is to spread the benefits of technology and science broadly throughout society.

It's strange to have a situation where we encourage the poor to dig their own foundations, while there are front-end loaders leaving Durban docks for sale abroad.

Freedom from ignorance will mean the massive development of education. There is a need to make education — formal, informal and non-formal — responsive to and representative of the community.

**S**hould we not make it a metropolitan function? Is there not a real case for education to become the general and real concern of the metropolis? For education at every level is the great growth activity of the post-industrial city.

That means first-time education as well as re-education. Private and public together need to decide upon the priorities and to reflect the unfolding vision of and ambitions for the future.

Let me add here that, while equal education is needed, we need also freedom of choice in education. For this is the acid test. The individual is the judge of equality and quality — not the purveyor.

The city just doesn't change on its own, and the industrial city cannot be made to disappear with tree-planting and handsome urban arrangements and cheerful exercises in visual improvements. The

most vigorous of social revolutions have been played out in attractive settings.

The industrial city changes into a better and different place because it has different functions and because the laws, customs and institutions are reshaped in response to the changes in function.

The post-industrial city will be built on major developments in science and technology and will dominate the productive activities of the metropolis. Some of these come to mind — chemical sciences and biological engineering, environmental sciences, electronics and the component technologies.

Johannesburg, because it has the largest concentration of institutions and skills in SA, is best placed to become SA's — and Africa's — first post-industrial city.

**T**o achieve this the following needs to happen:

1. — The institutions of the metropolis, the management structures, formal and informal, will need to ease the path of the individual into a productive and creative role in city life. There will be a welcome sign to the city.

These institutions include not only city managements but those of professionals, the commercial world, the scientific and cultural institutions, the libraries, museums, art galleries and the field of communication.

Each of these will need to reshape attitudes and priorities, and where an institution does not exist it will need to be created.

2. — City, state and financial insti-

tutions will enter into joint ventures to finance and manage the process of renewal of the city, and these will include the renewal of the core of the city and the introduction into it more of the diverse functions of society.

Sadly, only after we have achieved a unified political structure can we tackle that dreadful legacy of the industrial city in its South African form — the township.

**T**he new city will be one where the individual will feel welcome in his own city/metropolis and where he will be party to the decisions that affect his life.

It is thus an open city with the rich and complex urban culture of modern society, building on diversity to create new richness and complexity. There will be no use of cultural nostalgia for political ends.

If science and technology harnessed with wisdom and foresight cannot develop here, we face decades of social and political misery. We will keep resurrecting the tail-end of industrial development and our social institutions will decay.

Failure to provide a bold initiative for want of political ingenuity may well prove to be damaging in the way that the revocation of the Edict of Nantes had upon the educated and skilled persons in post-Reformation France.

The repeat of the Huguenot dispersion, which has already commenced here, will certainly leave us unable to achieve to the modern metropolis and the modern

society.

We have reached the stage where our country and this metropolis of Johannesburg cannot move forward with confidence; that its actions are correct unless there is a joining together of our society for common goals.

Good management and great technical skills cannot do it for management and technical skills carry out objectives set by others.

That's the democratic system; the other competing system, in practice, is rule and management by a self-perpetrating technological elite.

Despite a litany of miseries we can be pleased at the good work by individuals and institutions, and that there are significant shifts in state policies. The idea of citizenship for all and the removal of influx control are good examples, and so are the opening up of business opportunities in the cities.

**I**f rumour has it right, then the removal of group areas will follow, as will the opening of educational institutions.

These represent large and quantitative improvements in the laws that order our lives. But it is the qualitative leap that has not yet been taken.

The leap that is needed is to recognise the oneness of the society and the individual in it. To do that will give impetus for the development process to progress and take us from the miseries of the industrial societies and their social, physical and political pathologies.

## MAJOR CAMPAIGN TO BE LAUNCHED TO PROMOTE INDABA PROPOSALS

Johannesburg THE STAR in English 4 Dec 86 p 15

[Article by Colleen Ryan]

[Text]

The most ambitious sales campaign yet seen in South Africa is about to be launched, with the organisers of the kwaZulu/Natal Indaba, hoping to persuade the people of Natal and the Government to accept non-racial rule for the province.

The effect of the Indaba plan would be to take power from the central Government and give it to the new provincial rulers, so it is highly unlikely the Nationalists will accept the proposals in their present form.

Already, the leader of the National Party in Natal, Mr Stoffel Botha, has rejected the draft constitution, saying it would lead to black domination.

And the deputy chairman of the Indaba, Mr John Kane-Berman, believes Mr Botha's statement sums up the present Government mood.

**PROOF NEEDED**

"Mr Botha has let the cat out of the bag and I think it will have the effect of stopping the Indaba resting on its laurels.

"It will have to galvanise itself for the next phase of the operation.

"It has to prove that the great majority of people in the province want this form of government," said Mr Kane-Berman.

The Indaba had decided the proposals should be submitted to all the people of kwaZulu and Natal. Mr Kane-Berman said he hoped such a test or referendum would take place in the next six months. He had no illusions about the difficulty of persuading the Government to accept the plan.

The Indaba was called eight months ago to try to create a single legislature for Natal and kwaZulu.

Delegates consisted of the 39 "middle ground" groups, including agricultural, religious and cultural groups and other regional cultural bodies.

One of the most important participants was Inkatha, whose chief representative was Dr Oscar Dhlomo, kwaZulu's Education Minister.

The Government had observer status, but right-wing groups as well

as significant black groups such as the United Democratic Front were absent from the talks.

The UDF has rejected the Indaba decisions, saying it was an attempt to bypass the ANC while it was banned, and that it was not a genuine, non-racial democracy.

Mr Kane-Berman admitted that rejection of the Indaba by groups such as the UDF was a problem.

He said the ANC, which did have support in Natal, was locked in a power struggle with Inkatha.

After long and sometimes difficult deliberations, the Indaba decided last week on a non-racial constitution, with only the Afrikaans cultural group, the Federasie van Afrikaanse Kultuurverenigings (FAK) refusing to sign the agreement.

The key aspect of the constitution is the Bill of Rights which is designed to protect minority rights and end all discrimination. It also provides for a two-chamber legislature, a Prime Minister and a 10-man Cabinet, a

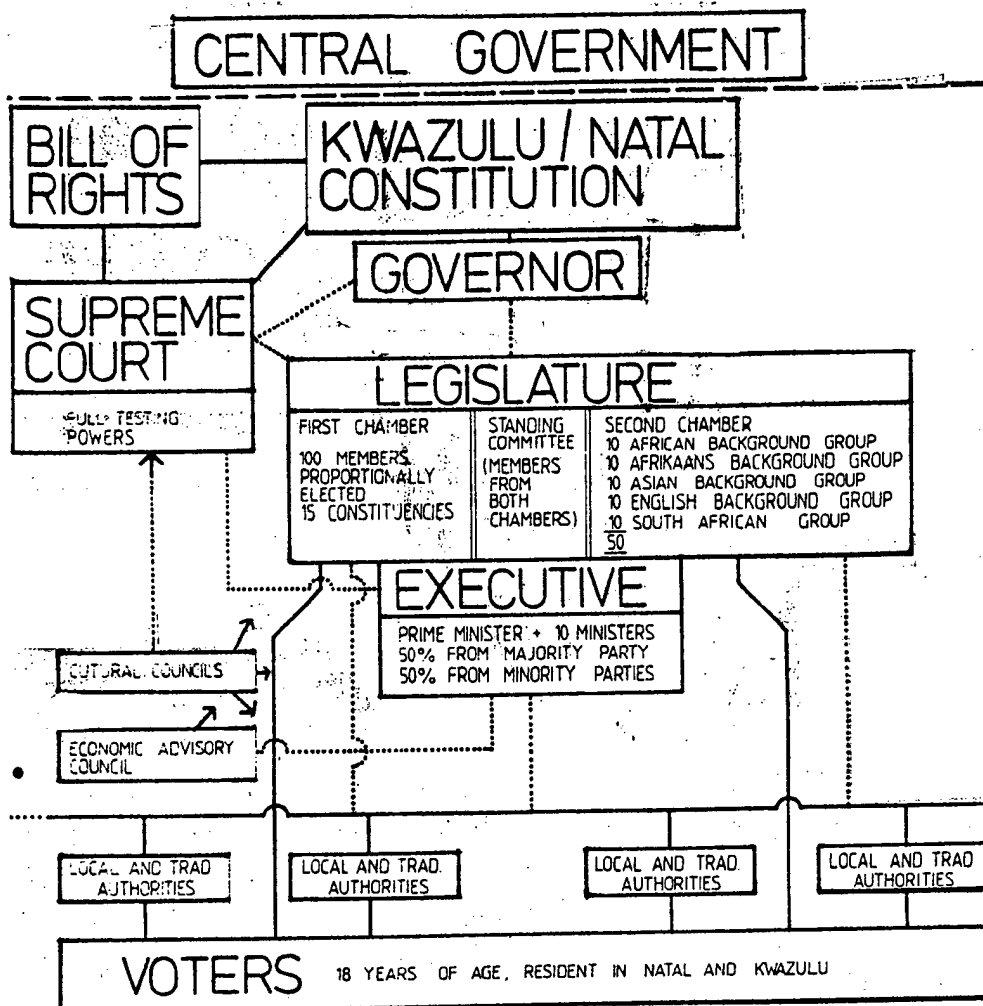
governor, standing committees and an independent judiciary.

The Bill of Rights guarantees equal protection under the law for all inhabitants; equality; that race groups can own and occupy property anywhere, and protection for language and cultural rights which would be enforced by the Supreme Court of South Africa.

The constitution also stresses the importance of "devolution of power" and proposes that major functions presently carried out by central government be transferred to the provincial government.

Functions to be devolved include revenue collection, primary and secondary education, planning, health services, agriculture, physical and land use planning, tourism and local government.

Mr Kane-Berman said that if the Government accepted the constitution, then the new provincial government would have the power to abolish all discriminatory legislation, including the Group Areas Act.



Schools would also be desegregated.

#### CONSTITUENCIES

The province would be divided into 15 constituencies for elections for the first legislative chamber, which would consist of 100 seats. Voting would be based on simple universal adult suffrage through proportional representation.

The Prime Minister would be the leader of the party that secured an overall majority in the first chamber. He or she would probably be black, as would be the vast majority of the electorate.

The second chamber would consist of 50 seats, equally representing

African, Afrikaans, Asian and English ethnic groups. A fifth "South African" group would represent people who chose not to vote on ethnic lines.

Mr Kane-Berman said provision for the non-racial "South African" group stressed the Indaba's concern for freedom of association.

Legislation could be vetoed in the second chamber if a group felt that the legislation would adversely affect its culture or language. Disagreements would finally be settled by the Supreme Court.

The provincial executive had been designed so that all groups would

have a say. The Prime Minister would appoint five Cabinet Ministers from his own party. The remaining five Cabinet Ministers would be elected by the other parties in proportion to their strength in both chambers.

#### COMMITTEES

Laws would only be ratified once accepted by the chambers and the relevant standing committees. There would be one standing committee for each Minister and all parties would be proportionally represented.

The standing committees would make decisions by a two-thirds majority decision, and no single party would be allowed more than 60 percent representation.

Although the new government would control many important functions, vital areas such as foreign affairs, defence, national intelligence, police, prisons, railways and harbours and water affairs would remain under the jurisdiction of central government.

One of the major questions about the new system is how it could possibly function within the framework of apartheid at central government level.

Mr Kane-Berman said he was convinced it could work.

"The key to the Indaba is its dynamic effect. I have no doubt that if this constitution is implemented it will provide political stability.

"There would be investment in Natal and it has the infrastructure for growth. And soon there would be pressure in other parts of the country for something similar."



CHANGING FOREIGN PERCEPTIONS OF NATIONAL ECONOMY DISCUSSED

Johannesburg BUSINESS DAY in English 4 Dec 86 p 5

[Interview with John Battersby by Assocom President Raymond Parsons in London; date not given]

[Text]

**BATTERSBY:** How have perceptions of the short-term economic outlook for SA changed since your last trip abroad?

**PARSONS:** Perceptions have undoubtedly improved. Overseas bankers and businessmen who monitor closely the economic situation in SA point to a flow of better economic news. They see signs of an economic recovery — especially in consumer spending. They have experienced reports of improved business profits, the massive surplus in the balance-of-payments on the current account has been referred to and evidence that the capital outflow is slowing down.

Some expected growth of about 3% next year if current trends continue and, finally, there was the assessment that the SA economy has now adjusted to the political and economic shocks of the past two years.

**HOW ARE** bankers likely to respond to these improvements?

**I THINK** these perceptions are confirmed by their intention to seek more favourable terms when the debt agreement comes up for renegotiation in mid-1987. Several bankers believe SA will be in a position to do more than it has been able to do up until now.

But I have warned them that it will still be a tough negotiation, because SA will have to find a balance between the needs of domestic economic growth and the desire to normalise external financial relations.

**DO THESE** improved perceptions of SA's short-term economic future

mean foreign investors might return?

**NO.** A resumption of foreign investment would be premature at this stage. What we are wanting in the long-term is a much clearer vision of the political road-ahead if their confidence is to be regained.

**WHAT DO** businessmen and bankers you spoke to think of the economic strategy agreed on by government and business at the November 7 meeting?

**THEY THINK** it was necessary, desirable and positive. But they are saying that an economic strategy needs to be supplemented by a clear political strategy. If a new economic strategy is to be truly successful it must be implemented against a background of stability and real reform.

**WHAT DID** businessmen think about government's decision to shelve the President's Council report on the Group Areas Act and reject the recommendation of the Natal Indaba for a power-sharing arrangement in Natal?

**THERE IS** acute disappointment, but understanding, of these decisions. They ascribe these decisions partly to the counter-productive impact of intensified sanctions and partly to their expectation of a white general election in SA within the next few months.

**WHAT** feedback did you get on the way the private sector in SA is responding to sanctions and disinvestment?

**THE OVERSEAS** business perception is that the private sector in SA is handling the sanctions and disin-

vestment situation well and is even turning it to its own advantage. There is life after sanctions and disinvestment, but the combination of capital outflow and trade sanctions will place a ceiling on SA's economic growth in the long-term. **WHAT VIEW** have you formed on the withdrawal of Barclays Bank from SA?

**I FOUND** there were mixed opinions on Barclays, but the majority perceived it as a special case. They drew a distinction between financial institutions and manufacturing companies which were less vulnerable to pressure. I believe that British and European companies are very much more likely to resist the pressure to withdraw.

A private survey I was shown indicated that many British companies in SA were already doing quite well in the economic upturn. **URBAN** Foundation director Jan Steyn has identified reform targets, which he has linked to a "realistic" timetable for reform. Do you think this could be helpful?

**I DON'T** think government is in any mood for timetables. I think business has an unusual role to play. I think foreign business has a very special task in terms of black advancement in SA.

But business in SA — like elsewhere — does not govern the country. But it can exercise influence and persuasion up to the limits of its power. And that is what we are doing.

**YOU HAVE** spoken of an economic upswing in SA. Do you think blacks will benefit from this upswing — or is it another white upswing?

**BLACKS** have been one of the reasons why the upswing has occurred, because after June 12 they felt it was safe to go about their daily business. What you had was pent-up consumer demand.

Where some forecasters went wrong was that they forgot how important black spending is in the SA market. It is half. Sanctions actually hit the two areas where blacks have gained most in the past decade — their spending power and in their collective bargaining.

**ARE YOU** saying then that the state of emergency was just what was needed?

**THE STATE** of emergency has stabilised the situation — it hasn't normalised it. This has meant that both black and white consumers have felt more secure and have resumed their normal spending pattern.

**DO YOU** think that business preoccupation with countering sanctions has limited its capacity to pursue its role as an agent for political change?

**WHILE** business remains committed to change the immediate priority is survival. In the boardrooms of SA they are saying that in order to finance our commitment to change and affirmative action we need to neutralise sanctions.

**SO THAT** is the priority?

**AT THE** moment, sanctions-busting is the highest priority so that we can afford reform and change. Business wants to see apartheid dismantled and not the economy so that it will resist sanctions wherever possible.

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CSO: 3400/627

## EXPERTS DEBATE POLITICAL, ECONOMIC MOTIVES FOR BUS DESEGREGATION

Johannesburg THE STAR in English 3 Dec 86 p 2M

[Article by Shirley Woodgate]

[Text]

Partial or total desegregation of Johannesburg's buses is imminent, but experts and politicians disagree over whether the move is political or economic.

National Party councillor and vice-chairman of the Transportation Committee, Mr Jan van Blerk, has said the motive is economic, but the experts are adamant that "open" buses will not be an instant answer to the enormous losses incurred by the Transport Department.

"It will not solve the economic situation," said Mr Les Pettey, general manager of Johannesburg's Transport Department.

There would be certain savings, but the main thrust would be in providing a better service for all races and in helping to increase bus loads he said.

Last year's loss was more than R17 million — R1 million up on the 1984/85 shortfall.

Of this amount R14 million was incurred by the white service and only R3 million by the black because it was better used, said Mr Pettey.

The black service contributed only minimally to the department's budget, with Putco, the

railways and combi-taxis transporting the bulk of the black passenger load into the city from areas — notably Soweto — where most of the blacks live.

## INTEGRATION

What could be instantly alleviated by integration is the problem of the empty white buses — particularly at off-peak hours — driving past long queues of black commuters during the day. On the other hand black buses which run late at night after white buses have ended their run are not allowed to pick up whites.

Johannesburg's transport department runs 376 white buses on 100 routes and 70 black buses on 12 routes. The bulk of the passengers are white (130 000) and only about 43 000 black passengers are transported daily.

The railways transport 171 000 daily (37 000 whites and 134 324 blacks), and Putco about 95 000 blacks daily from Alexandra and 86 000 from Soweto.

It is estimated that combi-taxis share of the market now stands at 14 000 every day — passengers who are willing to pay the higher price because of

speed, comfort, security and accessibility offered by combis.

The full reaction of white and black passengers to the integration move is yet to be tested. No surveys have been done and circumstances vary from city to city, suburb to suburb.

Nothing came of a challenge in June last year by Mr Danie van Zyl, chairman of the city's Transportation Committee, when he reacted to PFP pressure by suggesting integrated buses on only three routes: Dunkeld, Belvedere/Yeoville and Parkhurst.

Mr Pettey said at the time that the immediate reaction of certain of the affected white passengers who telephoned his office was of apprehension.

Cape Town's buses are already open and Durban desegregated its whites-only bus service early this month when all races were allowed to travel on Blue Line municipal buses.

This meant almost all buses in Durban were integrated.

The move came after the Durban Transport Management Board had applied seven times to the local Road Transportation Board for the whites-only restriction to be lifted.

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CSO: 3400/623

STUDY REVEALS POSSIBLE DEATH OF MINING TOWNS

Johannesburg BUSINESS DAY in English 28 Nov 86 p 2

[Article by Richard Bartlett]

[Text]

A STUDY has revealed that the economies of three Western Transvaal municipalities could collapse within 20 years, as the area becomes mined out.

The Klerksdorp/Orkney/Stilfontein (KOS) area will only survive as an economic region if industry develops independently of the mining sector, the inquiry shows.

The findings will be discussed at a meeting today. Constitutional Development and Planning

Minister Chris Heunis and Local Government, Housing and Works Minister Amie Venter will address the meeting.

Potchefstroom University economic and management sciences dean Professor J J D Havenga was the chairman of the study, which pinpointed the outflow of capital from the KOS area as the most important factor inhibiting economic development.

Migrant labourers removing capital in the form of wages, as well as the flow of development capital from companies to head offices elsewhere in the country, are the cause of this problem.

It is estimated that gold reserves in the area will last another 20 years. Modern technology may allow ultra-deep mining, in which case reserves could last for a further 25 years. State aid may also lengthen the life of the mines.

Limited water supply from the Vaal River may also limit growth.

The intimate relationship between the mining sector and economic growth means development should vary according to gold price variations. In practice, however, growth, buying power and employment has remained constant since the 1970s.

This shows that growth is stable and not entirely dependent on mining, the study says.

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CSO: 3400/627

BICSA MEMBER COMPANIES INTEND TO STAY

Johannesburg BUSINESS DAY in English 28 Nov 86 p 2

[Text]

LONDON — All 32 member-companies of the British Industry Committee on South Africa (Bicsa) say they intend staying in SA.

This decision would, as was normal business practice everywhere, be reviewed periodically in the light of financial considerations, a spokesman said yesterday.

Bicsa made known its intention to stay in SA at the same time that Courtaulds announced it was not joining any international exodus.

The company, had previously announced a strong increase in profits.

Courtaulds chairman Sir Christopher Hogg said there was no question of a pull-out.

Courtaulds owns two-thirds of the South African wood pulp business, Saicor. Courtaulds' pre-tax profits rose 35% to £82m on turnover 4% higher at £1,096bn

Three years ago the group raised more than £70m by way of a rights issue

— mainly with a view to expanding in the US. An opportunity failed to materialise, but there are rumours that Courtaulds might be about to buy the acrylic business of US company Cyanamid.

Meanwhile, Bicsa — formed to represent British companies with interests in SA — is stressing the positive side of links with SA.

Speaking for the companies which had decided to remain, it said that while there was a general condemnation of apartheid, the feeling was that it was better to work for change from within the country than to disinvest.

This is also current British government thinking, although British Prime Minister Margaret Thatcher has made it known she understood why Barclays decided to pull out.

While there is speculation that other UK companies will follow Barclays at some stage, Bicsa gives no indication that it knows of such moves.

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SANCTIONS AFFECTING COAL EXPORTS

Johannesburg BUSINESS DAY in English 2 Dec 86 pp 1, 2

[Article by Cherilyn Ireton]

[Text]

SANCTIONS have started to affect coal exports.

Latest statistics from the Minerals Bureau show that coal exports fell by 17,7% to 3,18-million tons in September, compared with tonnages shipped from SA in September last year.

Transvaal Coal Owners' Association chairman Michael Hawarden says the drop is "the first manifestation of sanctions.

"It was in September that we started to feel the real effect of the Danish and French bans. Until then we had been able to maintain our high shipment rate," he adds.

Coal exports for the first nine months of 1986 totalled about 32-million tons and, unless monthly sales pick up to 4,2-million tons for the rest of the year, exports will fall short of 1985's record 44,7-million tons.

While there is already a definite dent in exports, coal producers have warned that the full effect of French, Danish

and US sanctions will be gauged properly only next year.

In addition to shrinking markets, exporters have had to face tough competition from other countries, such as Colombia, and many have not realised their original sales targets.

However, local sales picked up marginally to 10,95-million tons (10,58-million in September 1985) in September, with overall production rising to 15,54-million tons (14,96-million).

Coal exports fetched R224m (R294m), with local sales earning R184m (R172m).

The statistics reveal that despite a drop in gold production to 51 879kg (56 210kg), gold sales earned the country R1,5bn (R1,4bn).

They also show tin production fell to 164 717kg (179 208kg) as major tin producers started trimming output as a result of the world oversupply. Tin exports dropped to 84 841kg (90 669kg) and earned R1,2m (R2,1m). Local consumption fell to 62 562kg (81 430kg), bringing in R1m as opposed to R2,5m last year.

/9274

CSO: 3400/627

## RESERVE BANK BOLSTERS GOLD HOLDINGS

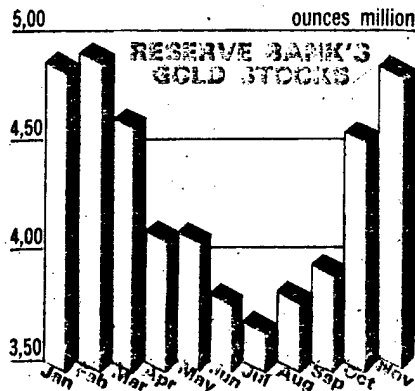
Johannesburg BUSINESS DAY in English 5 Dec 86 pp 1, 2

[Article by Gerald Prosolendis]

[Text]

**THE** Reserve Bank reinforced its reserves by more than nine tons of gold in November, reflecting SA's continuing sound balance of payments position.

Further welcome news is that the Bank has adjusted the seasonally adjusted real gross domestic product for the third quarter upwards to an annual rate of 4% from 3,5%. But Reserve Bank Governor Gerhard de Kock has repeatedly



warned that SA is not on the threshold of a boom.

The Bank's physical holdings of gold rose in November by 295 000 ounces to 4 836 000 ounces, despite the value of its gold holdings dropping by R77,2m to a total of R3,717bn.

The Bank's stock of gold bullion now stands at its highest level since February this year, when it amounted to 4 953 455 ounces. Since July, the Reserve Bank has added 1 162 000 ounces (about 36 tons) to its gold reserves. In the first nine months of this year, SA mines produced 457,9 tons of gold.

However, the Bank's total gold and foreign exchange reserves declined by R505,4m to a total of R5,087bn.

This is partly explained by the decline in the rand value of the gold holdings which was entirely owing to valuation adjustments resulting from a lower rand price of gold for the month. The decline in the dollar price of gold was not matched by a comparable decline in the rand — the currency was marginally stronger. The gold stock for November was therefore valued at a rand price of gold of R768,51 an ounce compared with R835,51 in October.

"Our gold reserves are rising and if this continues, and we have adequate gold in London and Europe, we will replenish our Pretoria holdings," says De Kock.

He dismissed claims by London bankers that the rise in gold holdings was in response to escalating sanctions.

"We would have replenished our gold and foreign exchange holdings even if the EEC and US had not imposed sanctions. This was a policy decision taken some time ago," he said.

In April the Reserve Bank swapped about 500 000 ounces of gold ahead of the first repayment on debt inside the standstill net, in case it needed more cash. At the time, the understanding was that the Bank would take back some of these swaps into its gold reserves once the debt payment had been made.

The decline in the Bank's foreign exchange holdings of R428m in November is partly explained by a further repayment of R259m to the IMF in the first week of the month.

Also, when the dollar price of gold falls, the Reserve Bank's gold swaps are re-evaluated, and the Bank tops up the difference in dollars.

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CSO: 3400/623

## BRIEFS

**MORE SMALL BUSINESSES URGED**--Development of small businesses in SA could help alleviate unemployment, which was the country's greatest economic problem, Trade and Industry Minister Dawie de Villiers said yesterday. He was speaking at the announcement of the new Council for Small Businesses in Pretoria yesterday. De Villiers said government had taken steps to give the entrepreneur his rightful place in the community. He added that the council would advise government on small business policy issues and would be responsible for allocating public funds for training and other purposes. It would evaluate legislation to identify inhibiting factors for small enterprises and then advise the Competition Board. De Villiers said homelands would also be represented on the council. [Text] [Article by Gerald Reilly] [Johannesburg BUSINESS DAY in English 26 Nov 86 p 2] /9274

**GROSS FARM INCOME FIGURES**--The farming industry earned gross income of R10bn in the year to June, says the Department of Agricultural Economics and Markets. In rand terms this is a record. The actual figure was R9,932bn, which was 12% up on the 1984-85 figure of R8,857bn. Net income increased by 16% from R1,848bn in 1984-85 to R2,146bn in 1985-86. Intermediate expenditure--on fertilisers, feeds, pesticides and other inputs--increased by R418m to R4,207bn in the twelve months to June. In 1984-85, gross incomes increased by 15% to R8,857bn, net income by 35% to R1,848bn, and intermediate expenditure by 10% to R3,789bn. Agricultural union economist Koos du Toit said yesterday that although the 1985-86 season was plagued by severe drought, some sectors had thrived. These included wool and mohair, deciduous fruits, livestock and citrus. Crop farmers fared badly, with their debts snowballing to record heights. [Text] [Article by Gerald Reilly] [Johannesburg BUSINESS DAY in English 26 Nov 86 p 3] /9274

CSO: 3400/623



STEEL COMPANY ESCAPES EC SANCTIONS

Johannesburg BUSINESS DAY in English 11 Nov 86 p 14

[Article by Anthea Duigan]

[Text] With the imposition of sanctions, G Vincent has found itself in the fortunate position of having products which are not subject to the sanctions imposed by the European Community.

Over the past three years a shrinking in local demand prompted the company to embark on an extensive export drive. The benefit of the drive has been reaped over the past 18 months with a 2,000% increase in export turnover.

G Vincent, which manufactures cold rolled steel sections for the building and allied industries, has numerous manufacturing divisions.

Turnover over the past 10 years has increased from R5,8m to R30m. The volume of steel processed through the Elandsfontein factory has increased from 10,000 tons to 36,000 tons/year.

Much of the increased production can be attributed to the company's many machines, which are designed and manufactured in-house by G Vincent staff.

In 1984 the company's single factory facility became too small, so a new factory site in Elandsfontein was bought and a modern expandable factory built to house certain rolling mills and the heat exchange division.

In the middle of this year the company acquired an automatic steel servicing plant, which has opened new avenues for both the domestic and the export markets.

No manpower is required once the steel sections or fabricated components have been loaded on to the mechanical handling system.

From cutting, the material moves off automatically to be drilled to any pre-determined configuration. A multi-head drill performs swiftly and accurately.

After the drilling stage the material is either ejected from the automatic line or continues to the shot-blasting wheelabrator, where surface cleaning can be completed to the correct specification.

The final stage is the painting booth, where the materials is primed prior to packing and despatch.

The plant is suitable for all structural steel fabrication and volume-oriented component manufacture.

Although repetitive volume is most suitable for the production facility, one-off jobbing is possible.

The usual product range of cold-formed steel profiles includes GV long-span galvanised and pre-painted roof-sheeting, structural profiles such as lipped channels, zeds, tophats, angles and numerous specials.

The Rondo range of suspended ceilings and Broadwal demountable partitions are manufactured. Cable trunking, electric support systems, permanent shuttering and many others are supplied to the building industry.

Specialised and ultra-heavy rollings bring heavy duty truck chassis members and railway rolling stock components into the product range.

Initially the company quoted through local agents for export inquiries and secured orders for roofsheeting for the Indian Ocean islands.

As a result of a survey visit to study steel-framed buildings in the Far East, some valuable contacts were made and after many visits, long-term exclusive distributorship agreements for suspended ceiling grids and demountable partitioning grid components were signed in Hong Kong and Taiwan.

However, the great impetus to export endeavours was in 1985, when the completed range of products including cold-formed structural sections, cable trunking and special purpose sections were placed at the Spring Fair in Cologne.

G Vincent has diversified in order to obtain the maximum contribution for its asset base, and is continually looking for a bigger market for its products.

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CSO: 3400/618

## LOW OIL PRICES HINDER SYNFUEL DEVELOPMENTS

Johannesburg BUSINESS DAY in English 17 Nov 86 p 3

[Text]

SA MAY be facing a choice of either increasing existing oil refining capacity or of building another Sasol-type synthetic fuel plant, says Sasol's GM responsible for research and development and process design, Theo van der Pas.

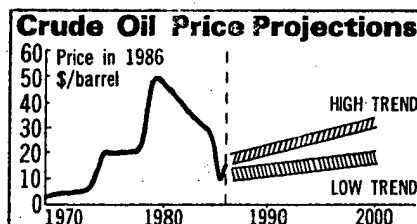
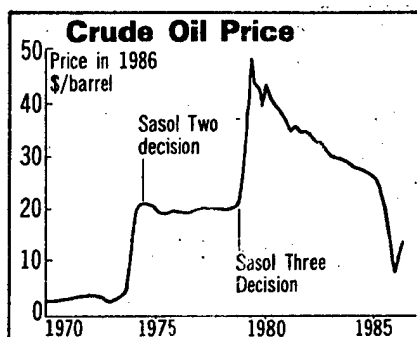
He told a Resources of Southern Africa Conference in Johannesburg last week that fuel consumption was growing and demand would soon outstrip the existing capacity of Sasol and the crude refineries. And neither the Mossel Bay project nor using torbanite deposits would provide a solution.

Van der Pas said the go-aheads for Sasol 2 and Sasol 3 had been relatively easy decisions because of high oil prices.

Today the situation was different. The oil industry was re-adapting to a situation of free or over-supply and low prices. Proved oil reserves had been expanded. Energy-efficient technology had sharply cut consumption.

Prices (in 1986 terms) were expected to rise slowly from now to 2000 to predicted high of \$35 a barrel.

Van der Pas said the new era of cheap oil, which had cast a pall over synfuel developments worldwide, made decisions difficult for local planners. But there were sound arguments for SA tak-



ing the synfuel route.

Additional oil-from-coal capacity would enhance fuel self-sufficiency and foreign exchange savings. SA had large deposits of low grade coal which could be exploited, as well as the necessary technical and manpower resources.

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CSO: 3400/638

## NEW CAR SALES EMERGING FROM SERIOUS RECESSION

Johannesburg THE CITIZEN in English 13 Oct 86 p 21

[Article by Madden Cole]

[Text]

SALES of new cars and light commercial vehicles have bottomed from their historical low levels and sales figures seem to confirm that the South African motor and allied industries are gradually emerging from what has been the most serious recession in the history of the industry, says Naamsa director Nico Vermeulen.

New car sales for September at 15 091 units exceeded the 15 000 unit level for the fourth consecutive month, while light commercial vehicle sales reached 7 414 units. This is the second highest monthly total this year and sales exceeded the 7 000 unit level three months in a row.

Mr Vermeulen points out that the September car and light commercial sales remained well above the monthly average sales recorded in these sectors during the first half of this year.

Although sales of medium and heavy trucks and buses at 385 and 601 units have shown some improvement, he feels that

it would be premature to talk about a rebound or sustained improvement in these two sectors.

He believes however that the positive economic forces combined with recent official measures to stimulate the economy should underpin sales levels in the different sectors.

The unprecedented vehicle price increases which had to be passed on to the consumers militates against any dramatic improvement in new vehicle sales in the months ahead and is the single most significant deterrent to the vehicle market returning to more acceptable levels, Mr Vermeulen says.

Nissan recorded an improvement of 8,9 percent in total sales with a substantial 17,3 percent improvement reflected in Nissan passenger vehicle sales for September over August 1986, says sales director Mossie Mostert.

"It is very gratifying to see the improved sales of our products, particularly considering that the company has a policy of not discounting its products."

Leader in the passenger car sales was Toyota with 3 770 units sold, followed by Samcor/MMI with 3 425 and VW with 2 421.

Toyota also held first place in the light commercial vehicle sales with a total of 2 933 units sold. Nissan with 1 656 sales was second and Samcor/MMI third with 1 531 units sold.

In the medium commercial sector Samcor/MMI sold 127 units, Toyota 108 units and GM 77 units.

Mercedes Benz again dominated the heavy commercial vehicle market with a sales figure of 208. Toyota followed with 118 units and GM with 89.

DILEMMA FACING MOTOR INDUSTRY DISCUSSED

Johannesburg THE CITIZEN in English 14 Nov 86 p 29

[Text] There is a strong likelihood that over the next three years the seven motor vehicle manufacturers in South Africa will be reduced to five as the projected markets are too small for the present seven manufacturers to obtain even minimal returns, says the McCarthy Group chairman Brian McCarthy.

Although this would have serious consequences of additional unemployment, a more viable motor manufacturing industry was essential for its long-term growth, he said at the Investment Conference yesterday.

He points out that the manufacturers who lost an estimated R600 million last year, are chasing a market of less than 200,000 passenger cars and 100,000 commercial vehicles. The result is a highly competitive market with margins of both manufacturers and dealers under pressure.

Mr McCarthy says that manufacturers have a number of alternatives including maintaining the business in its current form, disinvestment by liquidation, disposing of business to a third party or merging with a competitor.

Just as there are too many manufacturers in the market, he feels too that there are too many dealers. The approximately 2,000 dealers this year will sell 270,000 units or 135 units a dealer a year, which is far below average American sales figure of 400 units.

The withdrawal of two manufacturers from the South African market will result in the closure of a considerable number of dealers, thereby increasing the average sales of the remaining dealers. Regrettably this will also be at the expense of increased unemployment, Mr McCarthy says.

Although South Africa is ranked 14th in the world in terms of vehicle registration and in terms of production, with a current replacement value of R70 billion for the currently 4.1 million registered vehicles, the market for Whites is reaching saturation point at 500 cars per 1,000 people.

On the other hand, the Black ownership figure is a mere 17 units per 1,000 of population, but it has since 1976 grown by 7.1 percent a year compared with only 0.7 percent for Whites.

Mr McCarthy notes that despite the Black taxi business today offering exciting potential to the motor business, the stage still has not been reached where Black buying of new vehicles is having a major impact on the industry.

He points out that at present South Africa is not in a position to manufacture a complete car or truck. But sources in the industry believe that if constraints of scale are ignored and investments are made to manufacture components which carry an uneconomically high cost premium, a car or truck with close to 100 percent local content could be manufactured in this country in about two years time.

The final result however will lead to artificially high vehicle prices and the concern over further price hikes resulting from uneconomic investments convinces Naamsa members that further compulsory increases in local content should be avoided,

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CSO: 3400/617

## CSIR PLANS TO PRODUCE TECHNOLOGY FOR INDUSTRY

Johannesburg THE CITIZEN in English 29 Oct 86 p 12

[Text]

AFTER a year-long review of its activities, the CSIR has announced plans to become an active producer of technology for South African industry.

The Council for Scientific and Industrial Research will become "an important technology partner of South African industry," Dr Chris Garbers, president and chief executive officer of the CSIR, said in a statement released at a Press conference in Johannesburg yesterday.

One reason for the move was that the CSIR had to strengthen its international scanning of new technology and ability to transfer this to South Africa in the current political climate, the release said.

There was also a tension between the CSIR's basic scientific research and its contract work for industry.

"Not enough attention has been given to the im-

plementation of research findings and seeing that new technology was successfully transferred to its sponsors . . . the predominant research culture has been academically inclined in character, rather than goal-orientated," the release said.

Adoption of the new strategy meant the organisation will market itself as service to industry that will provide research, development and the technology itself.

"One of the main thrusts of the CSIR's effort to bring it closer to commerce and industry is the adoption of initiatives in the field of market-orientated technology development, transfer and implementation."

This will involve "extensive realignment of its research and development, financial, budgetary, administrative and personnel policies to suit".

The CSIR review, conducted by its executive, was launched after last year's government White Paper on an industrial de-

velopment strategy for South Africa gave the CSIR specific responsibilities for technology transfer and development to boost the productivity of industry.

The new direction, approved at CSIR council meeting on October 16, included the following goals:

- To develop and apply new or adapted technology to "strengthen local industry and commerce".

- To do scientific research into the production of technologies with a high market value.

- To set up scientific research facilities for companies on a contractual basis.

- To support the training and work of top-level scientists and engineers.

- To provide "purposeful" scientific and technical information services.

Dr Garbers said this week:

"We are striving to become a market-orientated organisation. Our objec-

tive is to help South African industry earn its optimum share of world trade and to do this, we aim to provide decision makers with appropriate scientific and technological input."

The CSIR would attempt to ensure the implementation of its work in local and overseas markets, he said.

He said the CSIR recognised the need to constantly improve its performance and keep South Africa at the forefront of technology in selected fields.

Top employees would be "expected to manage professionally and their performance would be assessed on relevant cost benefit output criteria . . .

"The strategy involves change for everyone at the CSIR, but the exciting feature of the changes required is that they are constructive in nature," Dr Garbers said.

He added: "It will not be necessary to retrench staff at this stage . . . but extensive human resource development programmes will be undertaken."

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CSO: 3400/617

## SANCTIONS TO PROVIDE GOOD OPPORTUNITIES FOR INDUSTRY

Johannesburg BUSINESS DAY in English 30 Oct 86 p 12

[Text]

SANCTIONS would provide interesting opportunities for East Rand light industry, the Germiston Industries Association's secretary, Ian Uys, said.

He said as smaller operations were more flexible they should be able to adapt and slot into any gaps left in the market.

Uys said: "While a bigger company cannot change procedures easily, a small company can make use of a market opportunity.

"A certain type of screw, imported from the US, could now be made by a smaller company with the ability to adapt its machining."

The reason this had not happened in the past was the small local market.

Uys said: "While international companies can produce millions of components the local company will only be producing thousands."

And, for that reason, sanctions could provide a mini-boom for light industry.

Uys said: "It makes economic sense for the small, light industrial companies to step in and make use of the opportunities."

Uys' organisation represents about 90 companies in an area which extends from Walkerville to Elandsfontein and is one of the largest industrial areas in the country.

He said: "We mainly represent the larger companies but we are seeking membership among the smaller ones as we firmly believe we can best serve their interests by speaking as a joint industrial body."

It was important light industry join the organisation because it could be advised on matters such as industrial relations with expertise gained in dealing with larger companies.

Uys said: "The smaller company's main thrust is one of production, with little time or expertise to deal with other

problems."

His organisation has also seen an increase in the black light industry sector. Uys said: "This could be termed the light, light industry. It has been actively encouraged by industry on the East Rand.

"In most cases, the black industrialists have been trained on the various techniques through on-job training at one of the companies on the East Rand.

"Having acquired the skill and knowledge they branch out on their own whether it be to a backyard operation or complete factory situation."

He said this type of light, light industry incorporated businesses such as panel-beating, welding, fencing and burglar bars.

However, Springs Chamber of Industries GM Dick Goss said black light industry would only be actively encouraged in his area if it could compete in price, quality and delivery.

He said: "It is important to remember that these standards have to be met in the market place and that it should not be mere tokenism."

Goss said companies in his area were well versed in the market opportunities that were provided by the introduction of sanctions.

He said: "They would not be in business if they did not look at all the opportunities available to them."

The Board of Trade and Industries chairman, Lawrence McCrystal, recently addressed a symposium at Rand Afrikaans University, and said small scale industrial activities would benefit by the deregulation programme introduced by government.

He said: "Government and the private sector training schemes will also assist to stimulate interest in starting businesses and may have to be adapted to include the entrepreneurial element."



# INDUSTRY'S ENERGY COSTS EXPECTED TO SOAR

Johannesburg BUSINESS DAY in English 3 Dec 86 p 3

[Article by Mick Collins]

[Text]

INDUSTRY'S energy costs will soar from their current cheap base in SA to come more in line with Western countries, economists predict.

Energy analysts at Wits University estimate that energy losses across the country cost about R600m a year.

Most at risk are the country's export potential, retail prices, profit margins and employment opportunities.

Senior partner at Contech, Arnold Nelson, says over the past few years the amount of energy consumed, as a percentage of manufacturing costs, was invariably low.

"This no longer applies. In the manufacturing sector it is often 5% of costs. In mining it can be 12% of working costs, while in the ferro-alloy industry it can be as high as 43% of total costs.

"Clearly anything that can be saved here will be of immediate benefit."

Nelson urges a re-examination of processes and questioning of why

they are done in a particular manner.

"The use of energy is no different to that of any other manufacturing function in this respect."

He says any energy audit can be expected to lead to reductions of 10% in total energy costs.

"Later some capital expenditure recommendations might well lead to a further 10%. As with productivity improvements, these reductions are permanent.

"In addition they are inflation proofed. The more resource cost increases, the more you save. Savings in energy costs are immediately reflected as increased profits."

Nelson says: "In SA the first fact to be realised is that energy is no longer cheap. The first approach should be to conduct an investigation into what is happening to each resource. Loss areas must then be uncovered and each loss quantified so as to establish its relative cost."

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CSO: 3400/618

## AFRIKAANS LINGUISTIC COMPUTER SUPPORT SYSTEM CREATED

Johannesburg THE CITIZEN in English 10 Nov 86 p 23

[Article by Marilyn Cohen]

[Text]

ONLY days after the announcement of IBM's withdrawal from South Africa, the local subsidiary announced the development of a new product aimed specifically at the South African business community — an Afrikaans linguistic support system.

**Afrikaans Linguistic Support** which is, at present to be included only in the Display Write/370 system but which may, at a later stage be made available down to PC level, was developed by IBM (SA) with extensive guidance from the IBM Advanced Office Systems Technology group in the United States.

The product will be made available early in 1987. It is more than just a dictionary of Afrikaans words against which spelling can be checked, although some 187 000 words are included in the dictionary.

However, also built into the support are many words which are common, although not frequently used, such as names, places, countries, cities, currencies and units of measure and time.

The system will thus help the user either verify the spelling of a word to provide assistance as to the correct spelling of the word.

However, two other features which provide information not obtainable from ordinary dictionaries, are automatic hyphenation and compound-word validation.

The product has all the information needed to hyphenate Afrikaans words correctly.

In the Afrikaans language, words are often made up of a combination of two or more words and these can be validated using the Afrikaans dictionary support. The product has been designed to recognise that certain words can appear either as a stand-alone word or as part of a compound-word.

In addition, the user can compile his own addenda dictionary — words which are related to a specific topic or which are unique within a company or business which do not appear in the main dictionary.

AN electronic typewriter said to offer the small businessman or woman many of the most commonly used word-processing facilities at a fraction of the usual cost, has been released by **Microtel**.

The Smith Corona XD8000 will pick up misspelled words, suggest an alternative spelling, erase the incorrect word and replace it with the correct

one.

It has a dictionary of 75 000 commonly used words and space for a further 2 500 which can be added by the user.

In addition, the machine has a standard memory of 16 000 characters which can be increased to 32 000 by plugging in a cartridge on the side of the typewriter.

Text put into memory can be called up on a 24 character display window and can be edited at will before it is printed out. Software built into the expansion cartridge enables the machine to merge names and addresses for mailing purposes.

The XD8000 can also be used as a daisywheel printer when linked to a computer and it has a variety of typefaces and pitches.

Further versatility is an upgrade to full text processing by linking it to the Smith Corona Personal Word Processor (PWP 12). The immediate benefit is that the PWP 12 has a 65 000 character memory which can be stepped up in increments of 64 000 characters to infinity by using plug-in microwafers.

The PWP has a full-sized microcomputer screen and a menu which presents the user with eight options including create text; edit text; set

margins; print text; store text to microwafer; recall documents from microwafer, microwafer directory and initialise new microwafer.

The cost of the upgrade is R2 295 which, when added to the cost of the typewriter, about R2 000, provides full text processing for under R4 500.

★ ★ ★

**OLYMPIA** has introduced the Olytext 20, a screen-based system which combines the functions of a typewriter, text processor and communications system.

A modular system, it comprises a central processing unit with integral disk drive, monitor, keyboard and printer. Alternatively, Olympia's Office Line range of electronic typewriters can be connected as input/output devices thus saving keyboard and printer costs.

Designed as "an electronic typewriter with a word processor as standard equipment", the Olytext 20 eliminates the need to learn a complex language or follow difficult procedures.

The text processor can also operate WordStar, MailMerge, Supersort, SpellStar and various other packages offering spreadsheets, database management and communications

ISCOR ACHIEVEMENTS, PLANS DISCUSSED

Johannesburg BUSINESS DAY in English 29 Oct 86 p 9

[Article by Hamish McIndoe]

[Text] Casting a pall over Iscor's record profits posted this week is the prospect of a wrenching bottom-line drop in the current term.

The local steel market is not an arena for growth, and a run of steel sanctions from key trading partners since last month threatens Iscor's foreign earnings.

If this is not headache enough, the world steel market is set to reach a plateau over the next two years after a demand rise of a mere 1% in 1985.

And the oversupply in the world steel industry has led to a barrage of anti-import measures--quotas, voluntary restraint agreements and subsidies. The net effect for Iscor in fiscal 1987 would appear to be an earnings drop, and the chance of government receiving a share dividend hanging in the balance--R65m was ploughed into State coffers by Iscor last year.

Iscor's group profits climbed to R172m from R24m on a 25% turnover increase to R3,9bn in its fiscal year to June 31.

The pathfinder for this remarkable performance was a sharp rise in steel sales and higher income from iron ore exports, coupled with good house-keeping and productivity improvements, the chairman's review says.

Post-sanctions Iscor will not publish detailed breakdowns of its operations, but it is thought about 60% — more than 3-million tons — of its steel sales are consumed locally.

Despite Pretoria's attempt to re-activate the economy, Iscor chairman Floors Kotzee has noted with concern a 25% slump in motor sales, a declining property market, and expenditure curbs by Sats, Escom and Water Affairs.

Generally low economic activity caused a 3% drop in local steel demand after a 13% fall in Iscor's 1985 fiscal year.

On the flip side, Iscor expects to clinch a "substantial share" in the construction of Soekor's off-shore fuel rig at Mossel Bay and is developing new speciality steels for the project, says MD Willem van Wyk.

Kotzee adds that Middelburg Steel & Alloys and Highveld Steel & Vanadium could not make the steels need for the rig.

Iscor will not raise its steel prices again this year. Despite heavy sniping from steel convertors, Iscor insists that hikes have been pegged well below the inflation rate — and without a sacrifice to profitability.

SA ranks about 14th in the world steel-making league, with Iscor exporting to about 80 countries.

Foreign exchange earnings on Iscor's steel exports in fiscal 1985 amounted to R923m, against R488m previously. Last year's foreign earnings may have passed the R1bn mark, because most of Iscor's 400 000-ton increase in steel product sales to 5,7-million tons was probably landed overseas.

This year's loss of 582 000 tons of steel to the US under Washington's import-restraint agreement with Pretoria, and an import quota of about 350 000 tons to the European Community (EC), will hit Iscor — and others — hard.

As the review quietly puts it: "Economic sanctions by traditional trading partners will affect Iscor detrimentally. However, alternative markets have been developed and will be utilised to best advantage."

On the iron ore front, Iscor increased marginally its Sishen exports by 3,4% to 9-million tons — again on undisclosed earnings (1985 revenue R246m).

As matters stand, the iron mandate on sanctions does not cover iron ore. But heavy oversupply and pricing pressures from EC and Japanese steelmakers are expected to adversely affect producers' bargaining stance when talks start early next year for the key 1987 delivery, says Iscor GM (mining) Ben Alberts.

Iscor increased sharply its pig iron sales to 501 000 tons from 181 000 tons in fiscal 1985 — it is not clear, however, what percentage of this will be lost through sanctions this year.

The corporation's capex bill rose by R125m to R355m, but all projects are to be limited to the modernisation and rationalisation of facilities.

"We're not increasing capacity," Van Wyk says.

No major steel-related capital projects were completed last year. Van Wyk discloses, however, that the hot-strip mill at the Vanderbijlpark works will be modernised at a cost of R300m over the next four years.

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CSO: 3400/638

METAL INDUSTRIES BATTLE TO SURVIVE 5-YEAR SLUMP

Johannesburg THE STAR in English 13 Oct 86 p 13

[Article by Frank Jeans]

[Text]

The steel and engineering industries, battling to survive a fifth year of slump conditions and hard hit by the imposition of overseas sanctions on iron and steel, have mounted a high pressure advertising campaign overseas and approached ambassadors of the country's major trading partners in a bid to turn the situation around.

This was said by Mr R Mason, president of the Steel and Engineering Industries Federation of South Africa (Seifsa) at the annual general meeting today.

Spelling out the difficulties facing industry today, particularly as a result of the political situation, Mr Mason said there had been a strong spillover into the workplace with frequent stayaways, work stoppages and strike action to the point where, the maintenance of normal production levels became extremely difficult.

"While the State of Emergency had resulted in a marked reduction in industrial action, the detention of many trade union leaders had a very negative impact on the functioning of industrial relations procedures," he said.

"However, present indications are that, in most areas, industri-

al relations structures are now returning to a degree of normality."

Urging the Government to move forward in achieving a more just society, the Seifsa president said the decision to impose sanctions on iron and steel would have a "direct negative impact on our industry".

"Seifsa has strongly opposed this action through an overseas advertising campaign and representations to ambassadors of our major trading partners," he said.

Referring to the recessionary conditions, Mr Mason said the failure of the expected upturn in the economy to materialise meant that the slump within the metal industries was now in its fifth year.

On the one hand, those sectors involved in consumer durables, agricultural machinery and the development of the country's infrastructure, have had to function well below capacity, while on the other, the traditional exporters such as steel and ferro alloys and those sectors servicing the gold mining industry have experienced buoyant conditions.

Returning to the labour question, Mr Mason said: "Despite

the criticism of Seifsa for its alleged inflexibility on plant bargaining, there is today considerable commitment to the Industrial Council on the part of all trade unions.

"This is not to say that all problems have been resolved and it is evident that much distrust from the past has to be overcome.

"The major trade unions representing black workers have been prepared only to make agreements in the council to a very limited extent.

"Many factors are playing their part in this, not the least of which is the extremely difficult and prevailing political and economic conditions. Probably the fundamental problem is the failure of the parties in the council to resolve the question of levels of bargaining."

Another area of concern for Seifsa is the "limited progress in training" non-white apprentices and figures reveal that during 1985 only 331 blacks, 278 Asians and 316 coloured people entered the industries, compared with 2 837 whites.

## PLASTIC INDUSTRY PRODUCTION THRIVING

Johannesburg BUSINESS DAY in English 25 Nov 86 p 21

[Text]

PRODUCTION of plastic goods is one of the bright spots in South Africa's manufacturing sector, Government figures show.

Production in July this year was 18% higher than six years ago — a performance matched only by manufacturers of beverages and of paper and paper products.

On the index basis that 1980 production volumes equal 100, manufacture of plastic products in July reached 118,4 compared with 117,2 in June, 113,4 in May and 123,6 in July 1985. The overall index figure for 1985 was 123,9, the best figure in any manufacturing sector.

Employment and production capacity utilisation is, however, down — the result of increased capacity, productivity improvements and greater efficiency.

According to Stellenbosch University's Bureau for Economic Research (BER), manufacturers of plastic pro-

ducts operated at 77,5% of capacity in the first quarter of this year, compared with 78,3% in the corresponding 1985 quarter and 86,4% in 1984.

In the third quarter of this year, only 1% of companies were operating at full capacity.

The industry employed approximately 22 700 workers at the end of June this year, compared with 23 700 in 1985 and 26 000 in 1984.

Those workers still employed, however, have enjoyed one of the highest average pay increases of any industry.

Government statistics include the plastics industry in a general group with chemical, petroleum, coal and rubber products.

This group increased average wages by 14% between March 1985 and March this year — from R2,69 an hour to R3,06. The next biggest increase was the 13,5% average awarded in the food, tobacco and beverages industries.

The Cape remains the best payer, according to government figures. Average wages in the province rose 16% last year to R3,18 an hour. Transvaal wages rose 14,25% to R3,05, and those in Natal by 13,5% to R3,03.

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CSO: 3400/638

## LIQUIDATIONS IN VARIOUS INDUSTRIAL SECTORS SURVEYED

Johannesburg THE SUNDAY STAR FINANCE in English 2 Nov 86 p 9

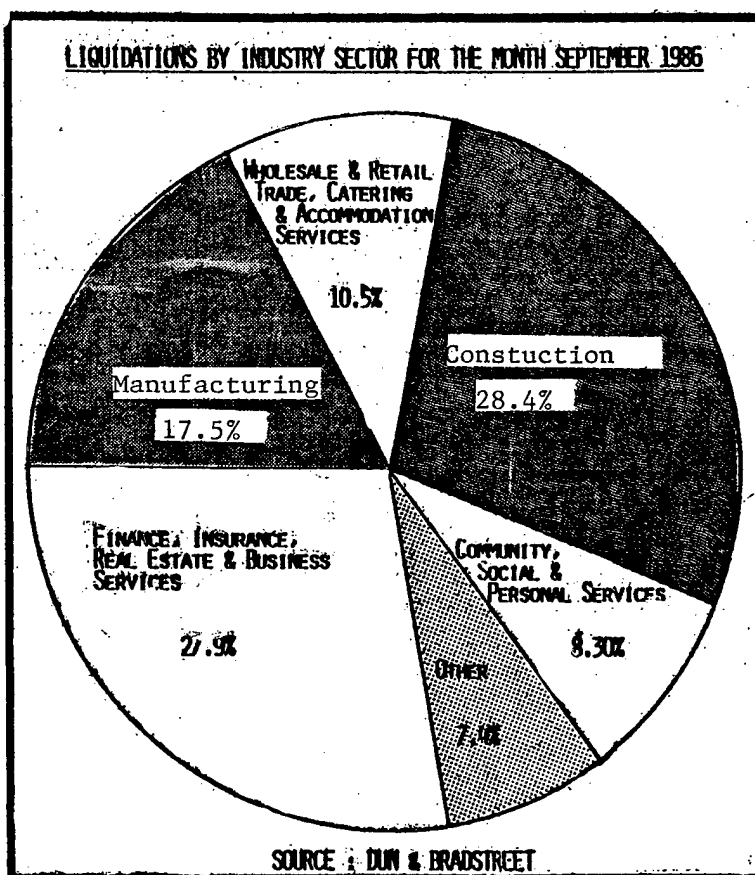
[Article by Malcolm Fothergill]

[Text] The first sector-by-sector survey of liquidations carried out in South Africa shows how disastrously the construction industry has been hit by the years of recession.

It also shows a high and rising rate of failures in the manufacturing sector and a dismal picture in the finance, insurance, real-estate and business-services sector.

The survey, by Dun & Bradstreet, is for the month of September.

Among its dark clouds it contains a silver lining in the fact that the total number of liquidations that month (229) was slightly up on August's 205 but below 1985's average monthly total of 255.



The worst-off sector of the economy according to the September figures is construction, which provided 28.4 percent of the country's failed businesses.

Next come finance, insurance, real estate and business services, which provided 27.9 percent.

Failures in the manufacturing sector are increasing fact, from 29 in August to 40 in September, when they accounted for 17.5 percent of the firms that bit the dust.

The wholesale and retail sector, which made up 10.5 percent of September's victims, shows an opposite trend. Failures in this sector were down from 78 in July to 24 in September, presumably because of the impact of increased consumer spending.

Dun & Bradstreet managing director Mr Paul Edwards says the pace of the present upturn is not yet sufficient to save many marginal companies.

The outlook for construction in particular is dismal, he says, as the level of fixed investment continues to decline.

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CSO: 3400/620



## DEVELOPMENT PLANS FOR MOSSEL BAY DESCRIBED

Cape Town WEEKEND ARGUS in English 25 Oct 86 p 15

[Article by Anthony Doman]

[Text]

**SUDDENLY** the knowing smiles have become broad grins as Southern Cape speculators hit paydirt with their Mossel Bay land deals.

The sleepy coastal town is awake and buzzing with activity now that the site for Mossel Bay's multi-million rand gas project has been announced, ending months of speculation.

Long-range plans can now be set in motion, say developers and town council officials.

But even before the official announcement this week, the location of the refinery complex seemed to be an open secret.

While the authorities were tight-lipped, locals spoke about the site chosen from the shortlist of three of the original eight proposals.

In gently rolling farmland 14km out of Mossel Bay on the Cape Town road, the site is a few minutes' drive from the centre of town and from the main through-route.

Housing and commercial developments are mushrooming along this stretch of road.

#### Revitalised

A new shopping centre — unusually large for this part of the country — wasn't there a

year ago. And a national supermarket chain is reported to have bought a site nearby in preparation for its first venture into the area.

The town — which looked set to fade slowly away after the rebuilt N2 became a bypass — has been revitalised. Housing and industrial sites are up for grabs, roads are being torn up and rebuilt and big developments are planned for the town centre.

Along the N2 to George, scarred hillsides opposite the nearby holiday village of Hartenbos are the scene of feverish activity by building contractors.

And in Mossel Bay itself land is being sold off regularly by the municipality.

"There is no shortage of buyers," said Mossel Bay municipality Liaison Officer Mr Arthur Johnson.

He said lots of land was still available "but we don't want to flood the market."

The town's future as a holiday resort also seems assured.

#### "Big guns"

A beachfront hotel has been taken over by a major chain as the "big guns" move in.

A hotelier in the coloured

area of D'Almeida said her attorneys were watching the situation carefully.

"We're not sure what the implications are for us," she said.

"But we are expecting lots of development here too. Many people have already moved in from out of town and I think we will need more land here soon."

Others are also looking at increased demand.

Mr Jan van Heerden says the a R6-million "park home" complex which he runs will not be enough to satisfy the demand.

"We've sold a third of the units, mainly to retired people and holidaymakers," he said.

"But the owner is negotiating a deal with a major company to provide accommodation for its workforce".

He said people were streaming into the town.

But not everybody was in favour of the boom.

"Some of the locals don't want this place to expand. They want it to stay a quiet little seaside town," said Mr van Heerden.

"But they are in the minority. And they can't stop progress".

## SOUTH AFRICA

### NEW R600M PLANT FOR SINTERING ORE

Johannesburg BUSINESS DAY in English 11 Nov 86 p 14

[Text] One of the participants in this year's State President's Export Awards, Samancor, is establishing a plant for the sintering of manganese ore at its Mamatwan mine.

The plant, together with all its facilities, will cost R60m, and will be completed in 1988.

Sintered ore has a number of advantages over lumpy ore, and its production will significantly improve the cost-effectiveness of Samancor's manganese alloy operation, says the company.

Further advantages include a reduction in production costs, a higher manganese content, a reduction in electric energy consumption for alloy production, a decrease in carbon reductant requirements and furnace maintenance costs, and an increase in furnace and electric load availability.

The new plant will have a capacity of 500,000 tons/year, and was sited at Mamatwan for cost reasons.

The decision to proceed with the sinter plant forms part of a programme of systematically evaluating alternate technologies, compatible with existing production facilities to decrease production costs while simultaneously increasing capacity, says Samancor.

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CSO: 3400/618

## TRACTOR, AGRICULTURAL MACHINERY MANUFACTURERS REPORT LOSSES

Johannesburg BUSINESS DAY in English 25 Nov 86 p 9

[Article by David Furlonger]

[Text]

**TRACTOR** and agricultural machinery manufacturers have lost about R130m in five years because of drought and inflation.

The SA Agricultural and Irrigation Machinery Manufacturers and Distributors Association (Saaimmmda) says manufacturers are talking of full-scale industry rationalisation as the only means of survival.

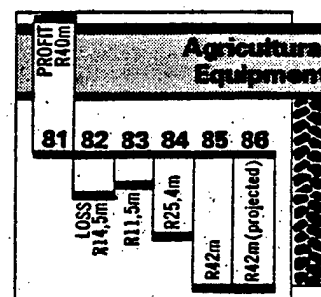
A survey among its members has shown losses this year are expected to equal last year's R42m. Since 1981, when pre-tax profits hit a record R40m, the industry has consistently lost money — R14,5m in 1982, R11,5m in 1983, R25,4m in 1984 and R42m

in 1985.

During the same time, industry employment has dropped by nearly 50%.

Manufacturers say the chances of the market ever returning to the heady days of 1981, when nearly 25 000 tractors were sold, are slim. Tractor Manufacturing Association members expect to sell fewer than 5 000 new tractors this year, and predict the market in future will climb no higher than 10 000.

Saaimmmda's commercial marketing division chairman Bill Hubbard says this clearly shows the market can no longer



support all the manufacturers still doing business in SA.

The survey shows manufacturers believe the market can support no more than three — compared to the 14 who are here.

Hubbard says: "I think the need for rationalisation is far greater in the tractor and agricultural equipment business than among the truck or car manufacturers."

He says it is not only the drought that has damaged sales. In addition to the recession and the increased cost of imported parts because of the weakened rand, the inflation rate has played a major role.

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## MOTOR INDUSTRY LOSSES REPORTED

Johannesburg BUSINESS DAY in English 13 Nov 86 p 2

[Article by David Furlonger]

[Text]

MOTOR industry officials are deeply split on how much the industry will lose this year.

The more optimistic predict combined manufacturers' losses of R100m. Others believe the total could be higher than last year's R500m.

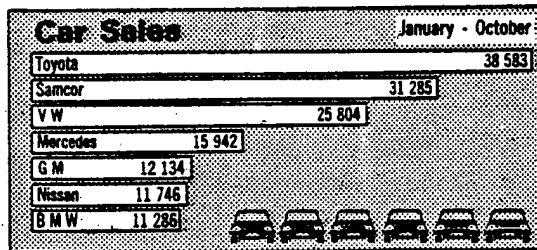
There is broader agreement, however, that if exchange rates remain steady and the present rate of retail price increases continues, many companies will be trading profitably next year.

Lay-offs, short-time working, price increases, cutting of overheads and a more stable exchange rate have all contributed to a sharp cut in manufacturers' costs.

Car prices have risen by more than 30% this year as manufacturers have sought to recoup heavy losses caused by exchange rate-related import bills.

BMW marketing director Vic Doolan says: "Most companies will be profitable next year if the rand stabilises, price increases continue and car sales for the year remain in the 180 000-200 000 range."

Industry sources say combined losses for this year will be governed largely by the local management buy-out of General Motors. The US parent has guaranteed to pay off the company's debts and present the new management with a clean balance-sheet.



The most pessimistic forecast, by Nissan, is for a combined loss of between R400m and R600m. And while a spokesman believes some companies may move into the black next year, he expects the industry to remain in the red.

A GM spokesman says he expects industry losses to lag behind last year's only slightly, but Toyota marketing director Brand Pretorius is confident the total will be well below 1985 levels.

However, National Association of Automobile Manufacturers (Naamsa) director Nico Vermeulen cautions that short-term profits must be weighed against long-term losses and debts.

Several manufacturers say they are already trading profitably, if only on a month-by-month basis.

Mercedes-Benz CE Jurgen Schrempp confirms his company is trading in the black after several months of losses punctuated by industrial strife at the East London assembly plant.

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CSO: 3400/618

## BRIEFS

WIDENING OF BEN SCHOEMAN HIGHWAY--A R41m, 30-month contract for the upgrading and widening of the Ben Schoeman Highway has been awarded to Rand Roads, transport Deputy Director-General Ronnie Meyer said in Pretoria yesterday. The road is to be converted into a reinforced concrete highway with six lanes--three in each direction. An additional lane will be built on uphill stretches. The distance covered by the upgrading operation is 21 km, from the Buccleuch interchange to the Brakfontein interchange. Meyer said the actual cost at current prices would be R28m. When cost escalations and contingencies were taken into account, however, the ultimate cost would be about R41m. [By Gerald Reilly] [Text] [Johannesburg BUSINESS DAY in English 7 Oct 86 p 1] /6091

LINED STEEL PIPES--A local research programme has led to the introduction of a new range of PVC-lined steel pipes, which combine the corrosion resistance and flow benefits of plastic, with the strength of steel. Manufacturer Illman Plastics hopes the pipes will find a ready market in the mining industry, where corrosive water is a common problem. Says a company spokesman: "Its introduction follows a study which showed that a PVC-lined steel pipe could be manufactured cheaper than its galvanised equivalent." The company has also successfully begun manufacture of a new range of pre-insulated steel pipes, designed to eliminate the costly and time-consuming practice of insulating pipes underground. [Text] [Johannesburg BUSINESS DAY in English 25 Nov 86 p 18] /6091

ICE PLANT TO COOL MINE--The world's largest ice plant has been established by the Rand Mines group to cool underground working conditions at its Harmony gold mine at Virginia, Free State. Developed and built at a cost of R7.2m, the plant is claimed to be a major breakthrough in mining-ventilation technology. Situated on surface at Harmony's Merriespruit No 1 shaft, the plant produces 1,000 tons of ice daily, in particles measuring 70mm x 70mm x 10mm. The ice is conveyed to the shaft and down a pipe-line to a reservoir about 1,000m underground, where it is sprayed with hot water from the mine's underground water-reticulation system. Says Harmony MD Mike Watson: "As a result, the water at the work faces is cooled down considerably. Working conditions thus become far more tolerable, and productivity and safety are improved." Apart from these benefits, the ice-plant system of cooling has cost advantages. Normally, refrigeration plants--either underground or on surface--are used to cool mine water. The cost of pumping water to the

surface for recooling is high. On the other hand, underground refrigeration plants generate a lot of heat which must be removed by ventilation fans--also at high cost. The ice-cooling method is a cost-efficient alternative. [Text] [Johannesburg BUSINESS DAY in English 8 Oct 86 p 12] /6091

**MINTEK AWARDED FOR TECHNOLOGICAL ACHIEVEMENT**--The Council for Mineral Technology (Mintek) has won the premier award for achievement in science and engineering given by the Associated Scientific and Technical Societies of SA (AS & TS). The award is in recognition of Mintek's part in the development of the carbon-in-pulp gold extraction process, which earns SA more than R200m a year in additional revenue. A commemorative plaque was handed to Mintek president Aidan Edwards at a banquet in Johannesburg last night. AS & TS president Roy Perry said application of the technology had increased the production of SA's most precious resource, and was more than 30% cheaper in capital and running costs than conventional methods. [Text] [Johannesburg BUSINESS DAY in English 14 Nov 86 p 3] /9274

**ESCOM STEPS UP RURAL VOLTAGE**--ESCOM plans to spend R300m on rural electrification next year in order to meet growing consumer demand. An extra R25m will be spent on the scheme by the end of this year. Chairman John Maree says this portion has become available as a result of savings in operating and capital expenditures. "We are committed to bringing electricity to the whole country and upgrading the quality of life," he said. He said Escom will have erected more than 13,500km of reticulation lines in 1986, to supply about 8,400 rural customers, at a cost of R230m. Maree said the corporation was increasing the number of estimated new customers for 1986 from 7,500 to 8,400 as part of a major drive to meet increased customer demand. He said by next year a total of 78,800 rural customers would be receiving electricity. [Text] [By Mick Collins] [Johannesburg BUSINESS DAY in English 3 Dec 86 p 3] /9274

**NEW RANGE OF TIRES LAUNCHED**--A new generation of high performance car tyres--the first of their kind to be made in SA--was launched by General Tyres at the weekend. Produced by the General Tyre factory in Port Elizabeth, the new range will carry the prestige continental brand from Germany and will boost the South African tyre market, eradicating the need to import high performance tyres. Tony Versfeld, General Tyre's chief executive, Tyre Division said: "The premium continental brand tyre, one of the finest tyres available in the world today are being produced now in our own factory equal in every respect to the overseas product." "Eight years ago we signed an initial technical service agreement with Conti whereby technology, know-how and manufacturing expertise was to be provided to the South African company for a period of 5 years." [Text] [Johannesburg BUSINESS DAY in English 10 Nov 86 p 3] /9274

**ANTARCTIC SUPPLY VESSEL RETURNS**--Cape Town--South Africa's Antarctic supply ship, the SA Agulhas, returned from Gough Island yesterday. Scientists on board carried out a number of surveys in the southern ocean and an unmanned weather station was established. A spokesman for Sea Fisheries said the unmanned station was established on Inaccessible Island and 13 weather buoys were also dropped in the ocean. Seal counting was done on a number of islands and scientists also made a study of a number of birds. The Agulhas will leave for the Southern Ocean on the December 4. [Text] [Johannesburg THE CITIZEN in English 29 Oct 86 p 9] /9274

PLATINUM REFINERY EXPANDED--In March 1972, Rustenburg Platinum Mines and Johnson Matthey formed a joint company--Matthey Rustenburg Refiners--to refine all the material produced by Rustenburg Platinum mines. Processing operations at that time were carried out in the UK and SA. The newly-formed company acquired the existing plant at Wadeville from Johnson Matthey Refiners. Subsequently, the Wadeville plant has been expanded to meet the increased production from Rustenburg Platinum Mines, and also because a larger percentage of the refining activity has been transferred to SA. The Wadeville refinery receives a concentrate containing platinum group metals from the base metals refinery at Rustenburg--where separation of the nickel-copper matter from the platinum group metals takes place. The concentrate is then further refined to separate the platinum group metals--namely: platinum, palladium, rhodium, ruthenium, osmium and iridium--and to bring them to a high degree of purity before shipment abroad. [Text] [Johannesburg BUSINESS DAY in English 27 Oct 86 p 10] /9274

BUILDING INDUSTRY ON DECLINE--The latest building industry statistics show that the industry moved deeper into recession in the first nine months of this year. Central Statistical Services figures show that building plans passed in the January-September period decreased 15.8% to R3,056 bn, compared with the same period last year. Worst-hit were Pretoria, down 34.1%; Durban, 31.7%; Witwatersrand, 15.8%; Vaal Triangle, 14.4%; and the Cape, 13.4%. In this period, plans passed for houses increased 19% to R1,219bn. But the value of plans for flats and townhouses plunged 38.4% to R204,9m. For non-residential buildings, plans decreased by 40.7% to R648.6m. Value of buildings completed in this period fell 0.9% to R2,829bn. The largest decreases occurred in the urban areas of Port Elizabeth with 21.9%; Durban 29.7%; Maritzburg 30%; Vaal Triangle 26.7%; Pretoria 12.3% and "other urban areas" 19.5%. [Text] [Johannesburg BUSINESS DAY in English 25 Nov 86 p 23] /9274

AIRCRAFT TRADING COMPANY CREATED--Ancom Jet Aviation Limited--due for listing on The Johannesburg Stock Exchange on Thursday--has just formed another group company in conjunction with an associate, Helicopter Logistics. The new company, Omega Aviation Traders, will operate both nationally and internationally in buying and selling aircraft and helicopters. It has already secured two helicopters overseas which are currently being brought into the country for refurbishing and eventual sale. Separately, Anjet--which is based at Rand Airport and Lanseria--has also landed itself with another high technology task--rebuilding and refurbishing the civilian version of TV's "Air Wolf"--a Bell 222. The machine crashed in the United States suffering considerable damage--but not enough to discourage Anjet specialists from tackling the repair work. The helicopter is currently being shipped from the United States and will arrive in about a month's time. High technology Anjet specialises in renovating jet engines and helicopters and its capabilities have attracted national and international attention. The company has just successfully concluded a private placing of 4,000,000 ordinary shares at 35 cents a share, underwritten by the stockbrokers Kaplan & Stewart. [Text] [Johannesburg THE CITIZEN in English 3 Nov 86 p 23] /9274

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END